

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ E ☒ WATER SANDS _____ LOCATION INSPECTED _____ SUB. REPORT/abd. _____

DATE FILED 8-30-89 + 3 4-91

LAND: FEE & PATENTED _____ STATE LEASE NO. _____ PUBLIC LEASE NO. U-30956-A INDIAN _____

DRILLING APPROVED: 9-13-89 (CAUSE NO. 102-16B) + 3-10-91

SPUDDED IN: _____

COMPLETED: * 5-6-91 LA PUT TO PRODUCING: _____

INITIAL PRODUCTION: _____

GRAVITY A.P.I. _____

GOR: _____

PRODUCING ZONES: _____

TOTAL DEPTH: _____

WELL ELEVATION: _____

DATE ABANDONED: LAd Per BLM Effective 5-6-91

FIELD: GREATER CISCO

UNIT: _____

COUNTY: GRAND

WELL NO. MC #1 API NO. 43-019-31293

LOCATION 611' FSL FT. FROM (N) (S) LINE. 2354' FEL FT. FROM (E) (W) LINE. SWSE 1/4 - 1/4 SEC. 10

TWP.	RGE.	SEC.	OPERATOR	TWP.	RGE.	SEC.	OPERATOR
21S	23E	10	MASTER PETRO. & DEV. CO.				

original 1989 APD
was rescinded 5-6-91.
New APD was approved 3-12-91.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR

814 South 7th St., Grand Junction, Colorado, 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At surface

611' FSL, 2354' FEL, Section 10, T21S, R23E, SLM & B
At proposed prod. zone SW $\frac{1}{4}$ SE $\frac{1}{4}$

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

4 miles NW of Cisco, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 611'

(Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4408 Gr

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT*
8 $\frac{1}{2}$ "	7"	20#	160'	23 SXS.
6 $\frac{1}{2}$ "	4 $\frac{1}{2}$ "	10.5#	1100'	40 SXS.

In the event commercial production is encountered prior to reaching the proposed depth of 1100' casing shall be set and cemented to the productive zone.

5. LEASE DESIGNATION AND SERIAL NO.

U-30956-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

9. WELL NO.

M.C.1

10. FIELD AND POOL, OR WILDCAT

Greater Cisco

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Section 10, T21S, R23E
SLM & B

12. COUNTY OR PARISH

Grand

13. STATE

Utah

17. NO. OF ACRES ASSIGNED
TO THIS WELL

10

16. NO. OF ACRES IN LEASE

40

19. PROPOSED DEPTH

1100'

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

10-5-89

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Thomas A. Hall

TITLE

president

DATE

8-26-89

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

Kenneth V. Rhee

TITLE

Deputy District Mgr

DATE

9/15/89

CONDITIONS OF APPROVAL, IF ANY:

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
Dated 1/1/80

CONDITIONS OF FEDERAL ASSISTANCE

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
IN AND FOR THE STATE OF UTAH

IN THE MATTER OF ADOPTING AMEND-
MENTS TO FIELD RULE 1-2 AND 2-2,
CAUSE NO. 2, NO. 102-5, AND NO.
102-16, WHICH RULES ESTABLISHED
WILDCAT WELL SPACING FOR THE
SEIBER-CISCO NOSE AREA, GRAND
COUNTY, UTAH

FINDINGS AND ORDER

✓ CAUSE NO. 102-16B

This cause came on for hearing before the Board of Oil, Gas and Mining at 10:00 a.m. on Wednesday, September 26, 1979, in the executive Conference Room, Holiday Inn, 1659 West North Temple, Salt Lake City, Utah.

The following Board Members were present:

Charles R. Henderson, Chairman
John L. Bell, Member
Edward T. Beck, Member
Thadis W. Box, Member
Constance K. Lundberg, Member
C. Ray Juvelin, Member
E. Steele McIntyre, Member

Appearances were made as follows:

James Bowers
Damon Gilland
Dean Christensen
Don Quigley

NOW, THEREFORE, the Board having heard the testimony of the witnesses and having considered the evidence and being advised in the premises, now makes and orders the following:

FINDINGS

1. That due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and manner and within the time required by law.
2. That the Board has jurisdiction over the matter covered by said application and over all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.
3. That the Dakota, Morrison and Cedar Mountain Formations underly the area under consideration.
4. That the sands of the Dakota, Morrison and Cedar Mountain Formations are lenticular in nature.

5. That most, if not all, of the operators in the area are of the opinion that it is not economically feasible to drill wells on the 40 acre or 640 acre wildcat spacing pattern as provided for in Rule C-3, General Rules and Regulations and Rules of Practice and Procedure.

6. That there is unanimity among the operators with respect to the suggested amendments to Field Rule 2-2.

IT IS THEREFORE ORDERED:

ORDER

1. That the Board's order in Cause No. 2, Cause No. 102-5, and Cause No. 102-16 is hereby revised as follows:

Field Rule 1-2 reads:

The spacing of all wells drilled for oil or gas which are within the following described area--to wit:

Township 18 South, Range 25 East
Sec: 25 through 36

Township 18 South, Range 26 East
Sec: 29 through 32

Township 19 South, Range 23 East
Sec: 19 through 36

Township 19 South, Range 24 East
Sec: All

Township 19 South, Range 25 East
Sec: All

Township 19 South, Range 26 East
Sec: 5 through 8

Township 20 South, Range 21 East
Sec: All

Township 20 South, Range 22 East
Sec: All

Township 20 South, Range 23 East
Sec: All

Township 20 South, Range 24 East
Sec: All

Township 20 South, Range 25 East
Sec: All

Township 21 South, Range 22 East
Sec: 1 through 12

Township 21 South, Range 23 East
Sec: All

Township 21 South, Range 24 East
Sec: All

and are not within a pool for which drilling units have been established shall be governed by Field Rule 2-2.

✓ Field Rule 2-2 is amended to read:

"All wells drilled for the discovery of oil and/or gas which are not within a pool, reservoir, or field for which drilling units have been established or for which a petition for establishment of a drilling unit has been filed, shall be located not less than 500 feet from any property or lease line and not less than 200 feet from the boundary of any legal subdivision comprising a governmental quarter-quarter section or equivalent lot or lots of comparable size and location, and not less than 400 feet from any oil well, or less than 1320 feet from any gas well, unless otherwise specifically authorized by the Board after notice of hearing.

Whenever an exception is granted by the Board, the Board may, at any time thereafter, take such action as will offset any advantage which the person securing the exception may obtain over the other producers in the area covered by Field Rule 1-2."

✓ All previously drilled wells and all wells drilled in the future which:

- a. are less than 660 feet from the lease or property line and are classified as gas wells or
- b. are less than 200 feet from the lease or property line and are classified as oil wells

may be offset, the same distance from the property line or a drilling unit may be established for said well if the Board of Oil, Gas and Mining, finds, after notice and a hearing that correlative rights are being violated.

* All notices of Intention of Drill must be accompanied by a plat on which is outlined the acreage covered by the lease on which the well is to be drilled.

✓ Rule 1-2 and Rule 2-2 are only applicable to wells drilled or to be drilled to a depth of 3500 feet or less.

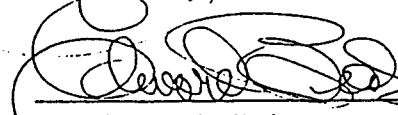
2. That the board retains continuing jurisdiction over all matters covered by this order and particularly to make further orders as may be necessary under conditions and circumstances developed in the future.

ENTERED this 15th day of November, 1979.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING


Charles R. Henderson, Chairman

John L. Bell, Member


Edward T. Beck, Member

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

2. NAME OF OPERATOR

Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR

814 South 7th St., Grand Junction, Colorado, 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface611' FSL, 2354' FEL, Section 10, T21S, R23E, SLM & B
At proposed prod. zone SW $\frac{1}{4}$ SE $\frac{1}{4}$

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

4 miles NW of Cisco, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

611'

16. NO. OF ACRES IN LEASE

40

17. NO. OF ACRES ASSIGNED
TO THIS WELL

10

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

1100' Salt
Wash

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4408 Gr

22. APPROX. DATE WORK WILL START*

10-5-89

23.

PROPOSED CASING AND CEMENTING PROGRAM

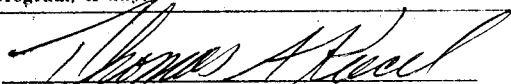
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 $\frac{1}{2}$ "	7"	20#	160'	23 sxs.
6 $\frac{1}{2}$ "	4 $\frac{1}{2}$ "	10.5#	1100'	40 sxs.

In the event commercial production is encountered prior to reaching the proposed depth of 1100' casing shall be set and cemented to the productive zone.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED



TITLE

president

DATE

8-26-89

(This space for Federal or State office use)

PERMIT NO.

43-019-31293

APPROVAL DATE

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

APPROVED BY

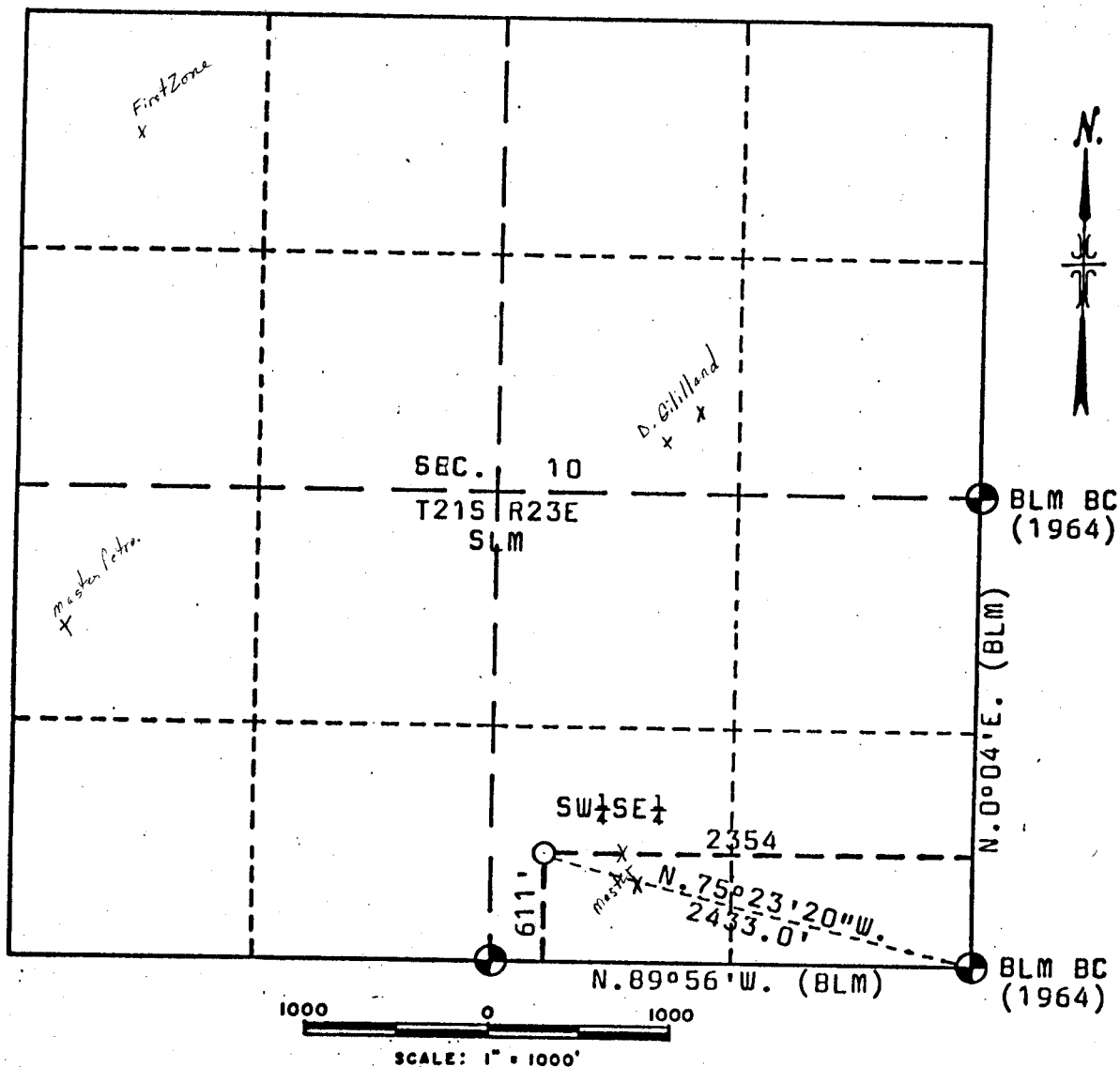
TITLE

CONDITIONS OF APPROVAL, IF ANY:

DATE: 9-13-89

BY: John R. Bays

WELL SPACING: Cause No 102-16B



MC NO. 1

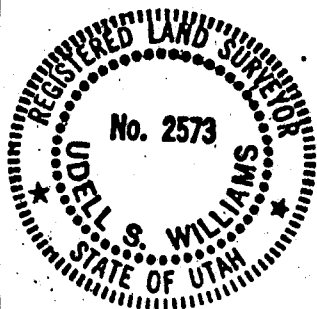
Located 611 feet from the South line and 2354 feet from the East line of Section 10, T21S, R23E, SLM.

Elev. 4408

Grand County, Utah

AUG 30 1989

DEPARTMENT OF
CIVIL, GAS & MINING



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Udell S. Williams
Utah RLS No. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

MC NO. 1
SW 1/4 SE 1/4 SECTION 10
T21S, R23E, SLM

SURVEYED BY: USW DATE: 8/22/89
DRAWN BY: USW DATE: 8/24/89

UT-060-3160-1
(April 1984)

BUREAU OF LAND MANAGEMENT
MOAB DISTRICT
CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company Master Petroleum & Development Co., Inc. Well No. MC #1
Location: Sec. 10 T. 21S R. 23E Lease No U-30956-A
Onsite Inspection Date _____

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops: _____
Mancus 0- 712 _____
Dakota 712 _____
Morrison- 940' _____
Salt Wash 1100' _____

2. Estimated Depth at Which Oil, Gas, Water, or Mineral-Bearing Zones Are Expected to Be Encountered:

	<u>Formation</u>	<u>Depth</u>
Expected oil zones:	Morrison(Brushy Basin	940'
	Salt Wash	1100'
Expected gas zones:	Dakota	712'
Expected water zones:	_____	_____
Expected mineral zones:	_____	_____

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth, cased and cemented. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment: Regan " Torus " 3000 psi Blowout preventer
will be flanged to the surface casing. Pipe and blind rams will be in
place together with adequate accumulator. Dual choke lines shall be
available if needed. _____

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OIL, GAS & MINERAL

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventors will be pressure-tested before drilling casing cement plugs. The Resource Area will be notified 2 days in advance when pressure tests are to be conducted.

4. Casing Program and Auxiliary Equipment: 7" surface casing will be cemented to surface. 4½" production casing will be cemented from the producing formation to at minimum of 50 feet above the productive zone. production casing has been tested and inspected.

Anticipated cements tops will be reported as to depth, not the expected number of sacks. The Resource Area (will/~~will not~~) be notified 1 days in advance when running casing strings and cement.

5. Mud Program and Circulating Medium: Well shall be air drilled to T.D.. Brine (10#) shall be used to kill the well in the event of production. Mud tank and Gaso mud pump shall be on location for this purpose.

Blooe line will be misted to reduce fugitive dust when air drilling.

6. Coring, Logging, and Testing Program: No logs are anticipated. Productive formations will be tested as they are encountered. Samples shall be taken in ten foot intervals beginning at 600'

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cutting, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:

Maximum anticipated well pressure is less than 500 psi. BOP is of sufficient size to allow for complete control of this pressure. (3000 psi rating).

8. Anticipated Starting Dates and Notification of Operations:

- a The operator will contact the GRAND Resource Area at 1-801-259-8193, forty-eight (48) hours prior to beginning any dirt work on this location.
- b No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.
- c The spud date (will/will not) be reported orally to the Area Manager within a minimum of twenty-four (24) hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.
- d In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed directly with the BLM District Office, P.O. Box 970, Moab, Utah 84532.
- e Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.
- f If the replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed for prior approval of the District Manager, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved by the District Petroleum Engineer.
- g Should the well be successfully completed for production, the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.
- h A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.
- i No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be

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obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

J Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

K Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed as follows: 4½" casing will be secured to the well, approx. 5' above Gr., bearing the appropriate description.
The top of the marker will be closed or capped.

L The following minimum information will be permanently placed on the marker plate, cap or beaded-on with a welding torch:

M "Fed" or "Ind", as applicable, "Well Number, location by 1/4 1/4 section, township and range". "Lease Number".

N Other: _____

_____.

B. THIRTEEN-POINT SURFACE USE PLAN

1. Existing Roads:

a. Location of proposed well in relation to town or other reference point: Approximately 4 miles Northwest of Cisco, Utah.
_____.

b. Proposed route to location: Exit Hwy. 6 & 50 at a point East of Cisco onto a county road to operators Right of Way # U-54703 to location .
_____.

c. Plans for improvement and/or maintenance of existing roads:
Operator presently maintains the existing roads as required. No new improvements are needed to access the location other than a short (400± ft.) location access point.
_____.

d. Other: All new ground disturbance shall be minimal. In the event the well is productive any new improvements shall be upgraded as required.
_____.

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2. Planned Access Roads:

a. The maximum total disturbed width will be 12 feet.

b. Maximum grades: none

c. Turnouts: none

d. Location (centerline):

e. Drainage:

f. Surface Materials: minimal surface disturbance. there will not be a need to stockpile any surface material

g. Other:

h Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.

i The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells: Federal #1 - SWSE sec.10., MPD 10-2C- NWSE sec.10.

4. Location of Tank Batteries and Production Facilities:

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Slate grey or as required

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OIL, GAS & MINERAL

- ✓ If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.
- ✓ All loading lines and valves will be placed inside the berm surrounding the tank battery.
- ✓ All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- ✓ All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- ✓ All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.
- ✓ Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.
- ✓ The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from:
Colorado River at Fish Ford.

_____.

A temporary water use permit for this operation will be obtained from the Utah State Engineer _____.
Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from: N/A

_____.

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U.S. GEOLOGICAL SURVEY
COLUMBIA, MISSOURI

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3. Source of construction material (will/will not) be located on lease.

7. Methods of Handling Water Disposal:

- a The reserve pit (will/~~will not~~) be lined" All cuttings and drilling fluids shall be discharged in to a reserve pit and buried upon well completion. Trash and other waste shall be contained in a trash cage and removed from location.
- b Three sides of the reserve pit will be fenced with 4' stock fencing before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.
- c All trash must be contained and disposed of by: Master Petroleum & Development Co., Inc.
- d If burning is required, a permit will be obtained from the State Fire Warden _____.
- e Produced waste water will be confined to a (~~lined~~/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

Other: _____

8. Ancillary Facilities:

Camp facilities (~~XXXX~~/will not) be required. They will be located:

9. Well Site Layout:

The reserve pit will be located: 120 feet East Southeast of the drill hole

The top _____ inches of soil material will be removed from the location and stockpiled separately on _____

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Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be from: Existing Federal #1 wellsite
East of the proposed location from operators R/W #U-54703

The trash pit will be located: Trash bin will be located next to the
dog house and removed when operations cease.

10. Plans for Restoration of Surface:

- a Immediately upon completion of drilling, the location, and surrounding areas will be cleared of all remaining debris, materials, trash, and junk not required for production. _____
- b Before any dirt work to restore the location and surrounding area will be cleared of all remaining debris, materials, trash and junk not required for production. _____
- c The operator or his contractor (will/will not) notify the _____ Resource Area at _____ forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.
- d All disturbed areas will be recontoured to the approximate natural contours. _____
- e The stockpiled topsoil will be evenly distributed over the disturbed areas. _____
- f Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface. _____
- g Seed will be broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage. _____

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The following seed mixture will be used: _____

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed. _____

Additional Requirements: _____

11. Surface and Mineral Ownership:

Master Petroleum & Development is the Lessee of record of this federal Lease.

12. Other Information: _____

a. There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.

b. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.

c. The dirt contractor will be provided with an approved copy of the surface use plan.

d. A cultural resource clearance (will/will not) be required before construction begins. If any cultural resources area found during construction, all work will stop and the Area Manager will be notified.

AUG 30 1989

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. Leessee's Operator's Representative and Certification

Representative:

Name: Tom Kucel

Address: 814 South 7th St.

Grand Junction, Colorado, 81501

Phone No.: 303-241-4213, home 303-434-5220

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed

by: Master Petroleum & Development Co., Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

8-26-89
Date

Thomas A. Kucel, Pres.
Name and Title

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ENERGY & MINING

B. SURFACE USE PROGRAM

The operator will contact the Grand Resource Area at (801) 259-8193, forty-eight (48) hours prior to beginning any dirt work on this location.

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.

The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

Immediately upon completion of drilling, the location, and surrounding areas will be cleared of all remaining debris, materials, trash, and junk not required for production.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

All loading lines and valves will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.

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OIL, GAS & MINING

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows:

The operator or his contractor will notify the Grand Resource Area at (801) 259-8193 forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

The following seed mixture will be used:

<u>Species</u>		<u>lbs/acre</u>
<u>Grasses</u>		
Agropyron spicatum	Bluebunch wheatgrass	1
Hilaria jamesii	Galleta (Curlygrass)	1
Oryzopsis hymenoides	Indian ricegrass	1
<u>Forbs</u>		
Melilotus officinalis	Yellow sweetclover	1/2
Medicago sativa	Alfalfa (Spreador II, Nomad, Ladak)	1/2
<u>Shrubs</u>		
Eurotia lanata	Winterfat (Whitesage)	2
		6 lbs/acre

Broadcast seed will be applied at double the above rate.

Final location release will be issued when the seeding is shown to be successful (when perennial vegetation is established).

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3704

REGAN FORGE & ENGINEERING COMPANY

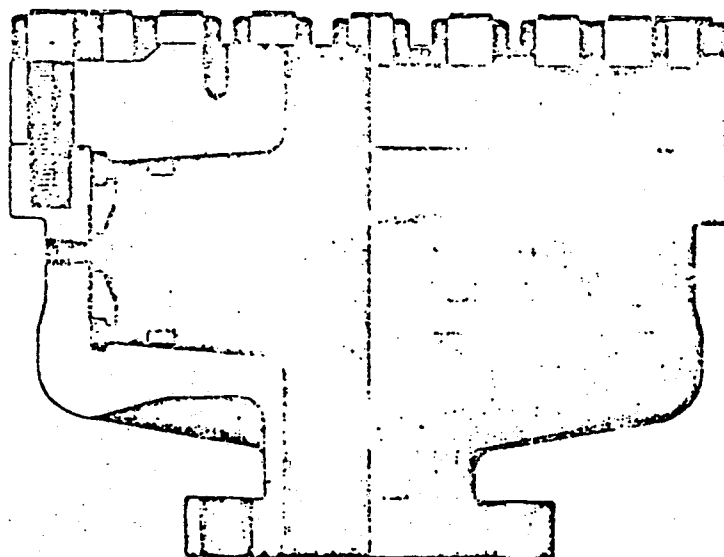
San Pedro, Calif.

REGAN BLOWOUT PREVENTERS

The Regan Torus Blowout Preventer is used primarily on production and workover rigs for well control up to 3000 PSI working pressure

DESIGN FEATURES

- The Torus Preventer is designed for minimum height to facilitate its use with production and workover rigs.
- The rubber packer will conform to any ob- in the well bore. Sealing ability is not affected by minor damage to the inner bore.
- The packer will seal an open hole at full working pressure.
- The dual packer design increases the reliability of the preventer since the outer rubber is never exposed to the well bore. Under ordinary service, the outer packer is rarely replaced.



TORUS BLOWOUT PREVENTER
PATENTED

SPECIFICATIONS

Nominal Size	Test Pressure (psi)	DIMENSIONS (in.)			Weight (lb.)	End Flanges (1)	R/RX Ring Grooves	Side Outlet
		Outside Diameter	Thru Bore	Overall Height				
6	3000 6000	27 28 1/2	7 1/8 7 1/8	19 1/2 21 1/2	1760 1760	Nom. 6 Nom. 6	45 45	flange 2" L.P.

(1) Bottom Range holes elongated for use with either 2000 or 3000 psi API-5S flange. (Also can be used with obsolete Ser. 400 API flange.) Top flange normally studied for 3000 psi API-6A flange unless otherwise noted.

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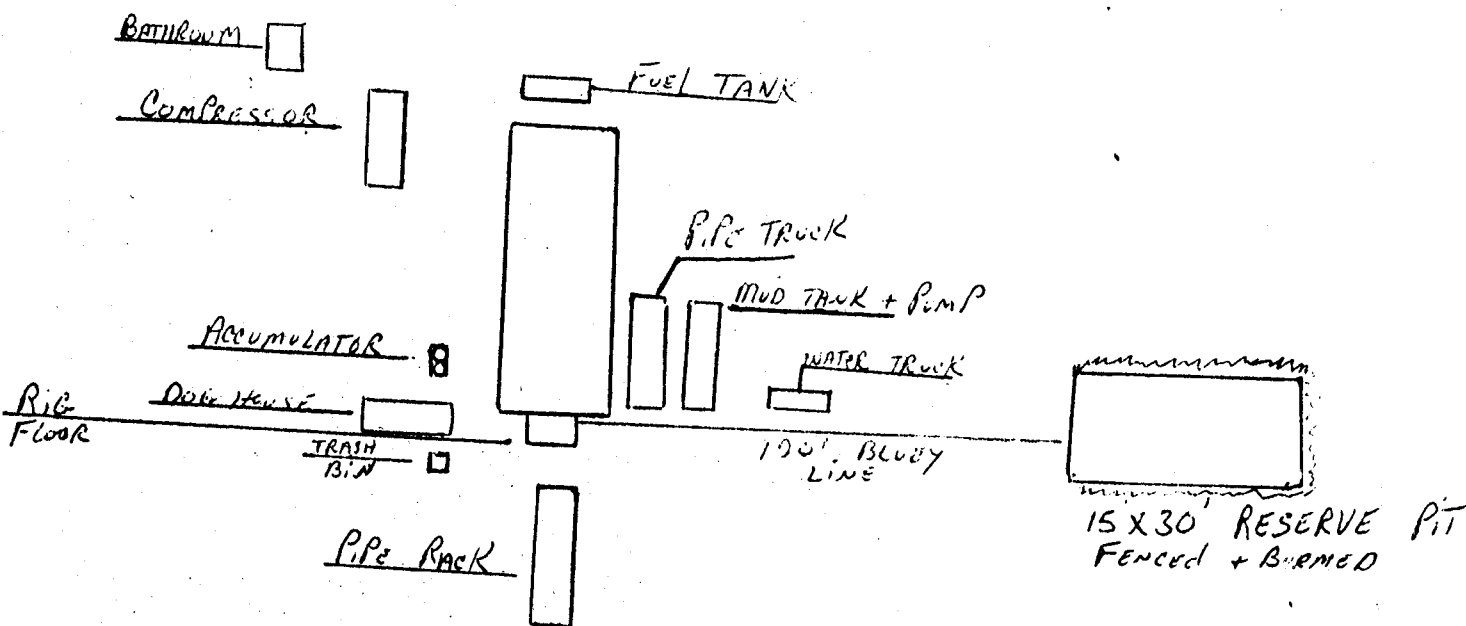
AUG DIVISION OF
OIL, GAS & MINING

WELLSITE SCHEMATIC

RIG LAY OUT

ACCESS ROAD

PARKING AREA



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OIL, GAS & MINING



United States Department of the Interior

IN REPLY REFER TO

3104
(U-942)

BUREAU OF LAND MANAGEMENT
UTAH STATE OFFICE
324 SOUTH STATE, SUITE 301
SALT LAKE CITY, UTAH 84111-2303

DEC 18 1984

DECISION

Master Petroleum and Development : \$25,000 Statewide
Company, Inc. : Oil and Gas Bond
814 S. 7th Street :
Grand Junction, Colorado 81501 :

Bond Accepted

A \$25,000 statewide oil and gas bond, No. 43-45-57, was filed in this office December 7, 1984. The bond was executed October 29, 1984, with Master Petroleum and Development Company, Inc. as principal and New Hampshire Insurance Company as surety.

This bond constitutes coverage in the State of Utah for obligations under oil and gas leases held or hereafter acquired by the principal, including lease offers, assignments, operating agreements, etc., issued under the authority of the Minerals Leasing Act of 1920, as amended, and the Mineral Leasing Act for Acquired Lands, as amended. The bond is satisfactory and is hereby accepted effective December 7, the date of filing.

Coverage under your statewide bond will not, however, extend to include additional principals, and the coverage does not extend to any lands where the principals are or become the unit operator but do not own the record title or operating rights in such lands either solely or jointly with others whose interests are likewise covered by appropriate bonds.

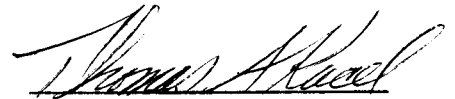

Chief, Minerals
Adjudication Section

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DIVISION OF
OIL, GAS & MINING

OPERATORS CERTIFICATION

I, Thomas A. Kucel, as president and registered agent of Master Petroleum & Development Co., Inc. hereby certify that Master Petroleum & Development Co., Inc. is the Lessee of record and the Operator of the lease and wells described in this information package. Master Petroleum & Development is insured and bonded in the state of Utah to conduct all operations associated with Oil & Gas lease development.



Thomas A. Kucel, pres.
Master Petroleum & Development
Co., Inc.

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DEPARTMENT OF
OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

3162 (U-065)
(U-30956-A)

Moab District
P. O. Box 970
Moab, Utah 84532

Master Petroleum & Development Company, Inc.
814 South 7th Street
Grand Junction, Colorado 81504

Re: Application for Permit to Drill
Well No. MC #1
Sec. 10, T. 21 S., R. 23 E.
Grand County, Utah
Lease U-30956-A

Gentlemen:

The above referenced application was received August 29, 1989. Your Application for Permit to Drill (APD) has been determined to be technically and administratively adequate.

A copy of your approved APD is enclosed. If you have any questions, please contact the Branch of Fluid Minerals at (801) 259-6111.

Sincerely yours,

Kenneth R. Rhee
District Manager

Enclosures:
Application for Permit to Drill

cc: GRA (w/encl.)

MASTER PETROLEUM & DEVELOPMENT CO. INC.

Complete Oil and Gas Land Management
Production Development

814 South 7th Street
Grand Junction, Colorado 81501
(303) 241-4213

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DIVISION OF
OIL, GAS & MINING

August 26, 1989

Utah Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah
84180-1203

Re: Spacing Variance Request
Enclosed Application to Drill
MC #1 & MPD 15-3

Dear Arlyne,

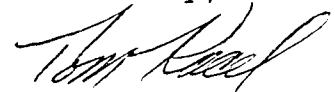
Enclosed are two "Applications to Drill" for the referenced wells. During our staking and surveying process we have discovered a need to request a variance for both wells. Our firm holds the adjoining lease in which the proposed wellsites would intrude upon. We are willing to allow these variances.

The first well, MC #1, is to be located on lease # U-30956A. During our survey we discovered that the Federal #1 oil well is not where it was originally stated to be on the well completion report. This well was originally permitted 492' FSL, 1922' FEL, section 10, T21S, R23E. Our survey shows it to be 611' FSL and 1954' FEL. This lease was originally part of our existing lease, U-30956 which adjoins U-30956A on the West. The location of the proposed well is 611' FSL, 2354' FEL. This will allow 400 feet between the proposed well and the existing Federal #1 and will allow 286' from the West lease boundary. The requested variance does not interfere with the existing wells spacing and allows more than 200 feet from the quarter quarter. Also due to a drainage wash west of the proposed location it is unlikely that we would want to drill close to the boundary separating the leases.

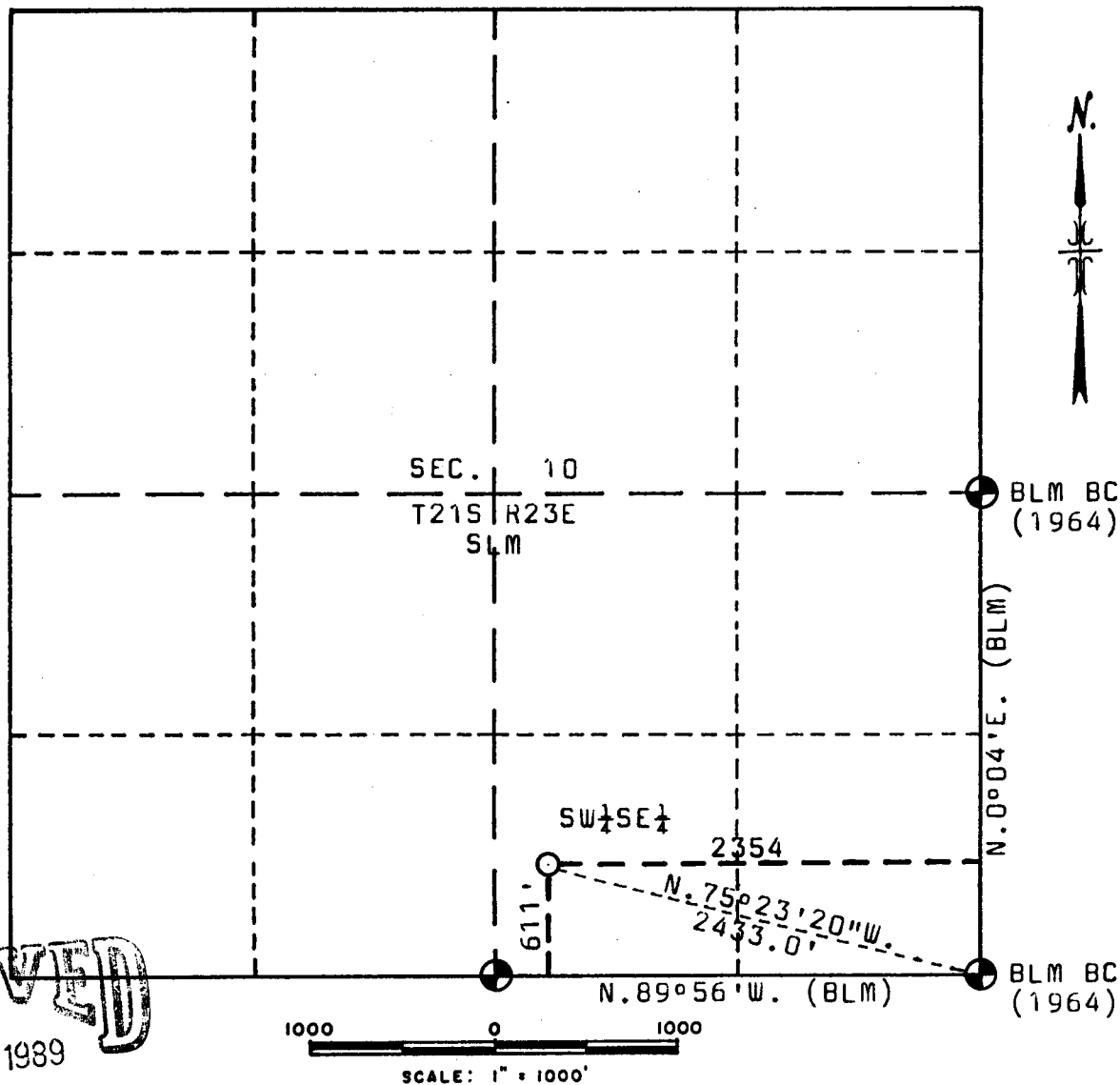
The second well, MPD 15-3, located on lease # U-0148172 is only 404' FNL. This lease also adjoins lease # U-30956. A large drainage wash exists to the South of the proposed location which necessitates the variance.

Thank you for your assistance in this matter. If I may be of further assistance please do not hesitate to contact me at our offices 1-303-241-4213.

Sincerely,



Tom Kucel



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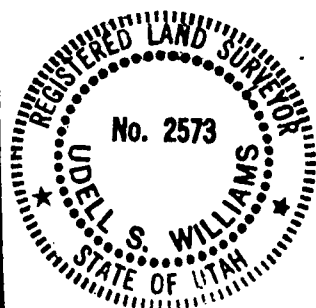
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MC NO. 1

Located 611 feet from the South line and 2354 feet
from the East line of Section 10, T21S, R23E, SLM.

Elev. 4408

Grand County, Utah



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED
FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR
UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE
AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Udell S. Williams
Utah RLS No. 2573



UDELL S. WILLIAMS

751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

MC NO. 1

SW 1/4 SE 1/4 SECTION 10
T21S, R23E, SLM

SURVEYED BY: USW DATE: 8/22/89
DRAWN BY: USW DATE: 8/24/89

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
IN AND FOR THE STATE OF UTAH

IN THE MATTER OF ADOPTING AMEND-
MENTS TO FIELD RULE 1-2 AND 2-2,
CAUSE NO. 2, NO. 102-5, AND NO.
102-16, WHICH RULES ESTABLISHED
WILDCAT WELL SPACING FOR THE
SEIBER-CISCO NOSE AREA, GRAND
COUNTY, UTAH

FINDINGS AND ORDER

CAUSE NO. 102-16B

This cause came on for hearing before the Board of Oil, Gas and Mining at 10:00 a.m. on Wednesday, September 26, 1979, in the executive Conference Room, Holiday Inn, 1659 West North Temple, Salt Lake City, Utah.

The following Board Members were present:

Charles R. Henderson, Chairman
John L. Bell, Member
Edward T. Beck, Member
Thadis W. Box, Member
Constance K. Lundberg, Member
C. Ray Juvelin, Member
E. Steele McIntyre, Member

Appearances were made as follows:

James Bowers
Damon Gilland
Dean Christensen
Don Quigley

NOW, THEREFORE, the Board having heard the testimony of the witnesses and having considered the evidence and being advised in the premises, now makes and orders the following:

FINDINGS

1. That due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and manner and within the time required by law.
2. That the Board has jurisdiction over the matter covered by said application and over all parties interested therein and has jurisdiction to make and promulgate the order hereinafter set forth.
3. That the Dakota, Morrison and Cedar Mountain Formations underly the area under consideration.
4. That the sands of the Dakota, Morrison and Cedar Mountain Formations are lenticular in nature.

5. That most, if not all, of the operators in the area are of the opinion that it is not economically feasible to drill wells on the 40 acre or 640 acre wildcat spacing pattern as provided for in Rule C-3, General Rules and Regulations and Rules of Practice and Procedure.

6. That there is unanimity among the operators with respect to the suggested amendments to Field Rule 2-2.

IT IS THEREFORE ORDERED:

ORDER

1. That the Board's order in Cause No. 2, Cause No. 102-5, and Cause No. 102-16 is hereby revised as follows:

Field Rule 1-2 reads:

The spacing of all wells drilled for oil or gas which are within the following described area--to wit:

Township 18 South, Range 25 East
Sec: 25 through 36

Township 18 South, Range 26 East
Sec: 29 through 32

Township 19 South, Range 23 East
Sec: 19 through 36

Township 19 South, Range 24 East
Sec: All

Township 19 South, Range 25 East
Sec: All

Township 19 South, Range 26 East
Sec: 5 through 8

Township 20 South, Range 21 East
Sec: All

Township 20 South, Range 22 East
Sec: All

Township 20 South, Range 23 East
Sec: All

Township 20 South, Range 24 East
Sec: All

Township 20 South, Range 25 East
Sec: All

Township 21 South, Range 22 East
Sec: 1 through 12

Township 21 South, Range 23 East
Sec: All

Township 21 South, Range 24 East
Sec: All

and are not within a pool for which drilling units have been established shall be governed by Field Rule 2-2.

✓ Field Rule 2-2 is amended to read:

"All wells drilled for the discovery of oil and/or gas which are not within a pool, reservoir, or field for which drilling units have been established or for which a petition for establishment of a drilling unit has been filed, shall be located not less than 500 feet from any property or lease line and not less than 200 feet from the boundary of any legal subdivision comprising a governmental quarter-quarter section or equivalent lot or lots of comparable size and location, and not less than 400 feet from any oil well, or less than 1320 feet from any gas well, unless otherwise specifically authorized by the Board after notice of hearing.

Whenever an exception is granted by the Board, the Board may, at any time thereafter, take such action as will offset any advantage which the person securing the exception may obtain over the other producers in the area covered by Field Rule 1-2."

✓ All previously drilled wells and all wells drilled in the future which:

- a. are less than 660 feet from the lease or property line and are classified as gas wells or
- b. are less than 200 feet from the lease or property line and are classified as oil wells

may be offset, the same distance from the property line or a drilling unit may be established for said well if the Board of Oil, Gas and Mining, finds, after notice and a hearing that correlative rights are being violated.

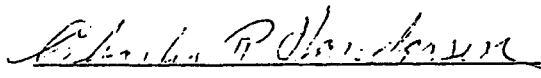
* All notices of intention of Drill must be accompanied by a plat on which is outlined the acreage covered by the lease on which the well is to be drilled.

- ✓ Rule 1-2 and Rule 2-2 are only applicable to wells drilled or to be drilled to a depth of 3500 feet or less.

2. That the board retains continuing jurisdiction over all matters covered by this order and particularly to make further orders as may be necessary under conditions and circumstances developed in the future.

ENTERED this 15th day of November, 1979.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING


Charles R. Henderson, Chairman

John L. Bell, Member


Edward T. Beck, Member

- ① 500' from Lease line
 - ② 200' from gtr/gtr lines
 - ③ 400' from an Oil well
- AND
1320' from a gas well

OPERATOR Maske Petroleum & Dev. Co. (N9675) DATE 9-1-89

WELL NAME M.C. #1

SEC S40SE 10 T 21S R 23E COUNTY Grand

43-019-31293
API NUMBER

Federal
TYPE OF LEASE

CHECK OFF:

☒ PLAT

(statewide)
☒ BOND

☒ NEAREST WELL

☒ LEASE

☒ FIELD

☒ POTASH OR OIL SHALE

PROCESSING COMMENTS:

Nearest well ok under Cause No. 102-116B

Need Water Permit

Exception to "500' from any property or lease line" requested,
Maske Petroleum holds the adjoining lease.

BPM returned application dated 9-13-89 - Re-APD 3-11-91 requiring
original API and file admin discussion.

APPROVAL LETTER:

SPACING: ☐ R615-2-3

N/A
UNIT

☐ R615-3-2

☒

102-116B 11-15-79
CAUSE NO. & DATE

☐ R615-3-3

STIPULATIONS:

4. Water Permit

1 Water Permit



Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

September 13, 1989

Master Petroleum & Development Co., Inc.
814 South 7th Street
Grand Junction, Colorado 81501

Gentlemen:

Re: M.C. #1 - SW SE Sec. 10, T. 21S, R. 23E - Grand County, Utah
611' FSL, 2354' FEL

Approval to drill the referenced well is hereby granted in accordance with the Order of Cause No. 102-16B dated November 15, 1979, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification if it is necessary to plug and abandon the well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Rule R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-019-31293.

Sincerely,



R. J. Barth
Associate Director, Oil & Gas

lcr
Enclosures
cc: Bureau of Land Management
D. R. Nielson
J. L. Thompson
WE14/1-2

FILING FOR WATER IN THE STATE OF UTAH

APPLICATION TO APPROPRIATE WATER

Rec. by _____

Fee Rec. _____

Receipt # _____

Microfilmed _____

Roll # _____

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3 of the Utah Code Annotated (1953, as amended).

* WATER RIGHT NO. 01 - 1066

* APPLICATION NO. A T64217

1. PRIORITY OF RIGHT: _____ * FILING DATE: _____

2. OWNER INFORMATION

Name(s): Master Petroleum & Development Co., Inc. * Interest: _____ %

Address: 814 South 7th St.

City: Grand Junction State: Colorado Zip Code: 81501

Is the land owned by the applicant? Yes _____ No X

(If "No", please explain in EXPLANATORY section.)

3. QUANTITY OF WATER: 0 - .1 cfs and/or 0 - 20 ac-ft

4. SOURCE: Colorado River & Nash Wash * DRAINAGE: _____

which is tributary to _____

which is tributary to _____

POINT(S) OF DIVERSION: _____ COUNTY: Grand

Nash Wash - approx. 2475' South and 870' East of the NW corner of Section 32,

T20S, R22E S1M & B, Colorado River - approx. 2300' FWL, 990 FSL section 26,

T21S, R24E, S1M & B.

Description of Diverting Works: none needed

* COMMON DESCRIPTION: _____

5. POINT(S) OF REDIVERSION

The water will be rediverted from N/A at a point: _____

Description of Rediverting Works: _____

6. POINT(S) OF RETURN

The amount of water consumed will be 0 - .1 cfs or 0 - 20 ac-ft

The amount of water returned will be none cfs or _____ ac-ft

The water will be returned to the natural stream/source at a point(s): _____

7. STORAGE

Reservoir Name: N/A Storage Period: from _____

Capacity: _____ ac-ft. Inundated Area: _____

Height of dam: _____ feet

Legal description of inundated area by 40 acre tract(s): _____

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OIL, GAS & MINING

* These items are to be completed by the Division of Water Rights

9. NATURE AND PERIOD OF USE

Irrigation:	From _____	to _____
Stockwatering:	From _____	to _____
Domestic:	From _____	to _____
Municipal:	From _____	to _____
Mining:	From _____	to _____
Power:	From _____	to _____
Other: Drilling	From 9-15-89	to 9-15-90

10. PURPOSE AND EXTENT OF USE

Irrigation: _____ acres. Sole supply of _____ acres.
 Stockwatering (number and kind): _____
 Domestic: _____ Families and/or _____ Persons
 Municipal (name): _____
 Mining: _____ Mining District in the _____ Mine
 Ores mined: _____
 Power: Plant name: _____ Type: _____ Capacity: _____
 Other (describe): drilling and completion of 4-5 oil or gas wells

11. PLACE OF USE

Legal description of place of use by 40 acre tract(s): NE $\frac{1}{4}$ Section 7, T21S, R22E, SLM & B
 (Nash Wash) and SE $\frac{1}{4}$ Section 10, NE $\frac{1}{4}$ Section 15, NW $\frac{1}{4}$ Section 2, T21S, R23E,
 SLM & B (Colorado River)
 Helle 7-1 MPD 15-3
 MC #2
 MC #1

12. EXPLANATORY

The following is set forth to define more clearly the full purpose of this application. (Use additional pages of same size if necessary): Applicant proposes to conduct drilling activities on the described acreage. Water shall be used for cementing and misting. Acreage is leased from the State of Utah and Federal government by applicant.

 The applicant(s) hereby acknowledges that he/she/they are a citizen(s) of the United States of America or intends to become such a citizen(s). The quantity of water sought to be appropriated is limited to that which can be beneficially used for the purposes herein described. The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of the information contained herein, at the time of filing, rests with the applicant(s).

James A. Reed, Pres.
 Signature of Applicant(s)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

43-019-31293

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐ PLUG BACK ☐b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR

814 South 7th St., Grand Junction, Colorado, 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface611' FSL, 2354' FEL, Section 10, T21S, R23E, SLM & B
At proposed prod. zone SW $\frac{1}{4}$ SE $\frac{1}{4}$

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

4 miles NW of Cisco, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

611'

16. NO. OF ACRES IN LEASE

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

1100'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4408 Gr

17. NO. OF ACRES ASSIGNED
TO THIS WELL

10

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

10-5-89

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 $\frac{1}{2}$ "	7"	20#	160'	23 SXS.
6 $\frac{1}{2}$ "	4 $\frac{1}{2}$ "	10.5#	1100'	40 SXS.

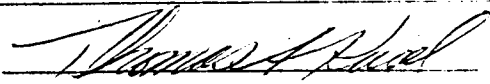
In the event commercial production is encountered prior to reaching the proposed depth of 1100' casing shall be set and cemented to the productive zone.

RECEIVED
SEP 18 1989DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED



TITLE

president

DATE

8-26-89

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

/s/ Kenneth V. Rhea

TITLE

ACTING DISTRICT MANAGER

DATE

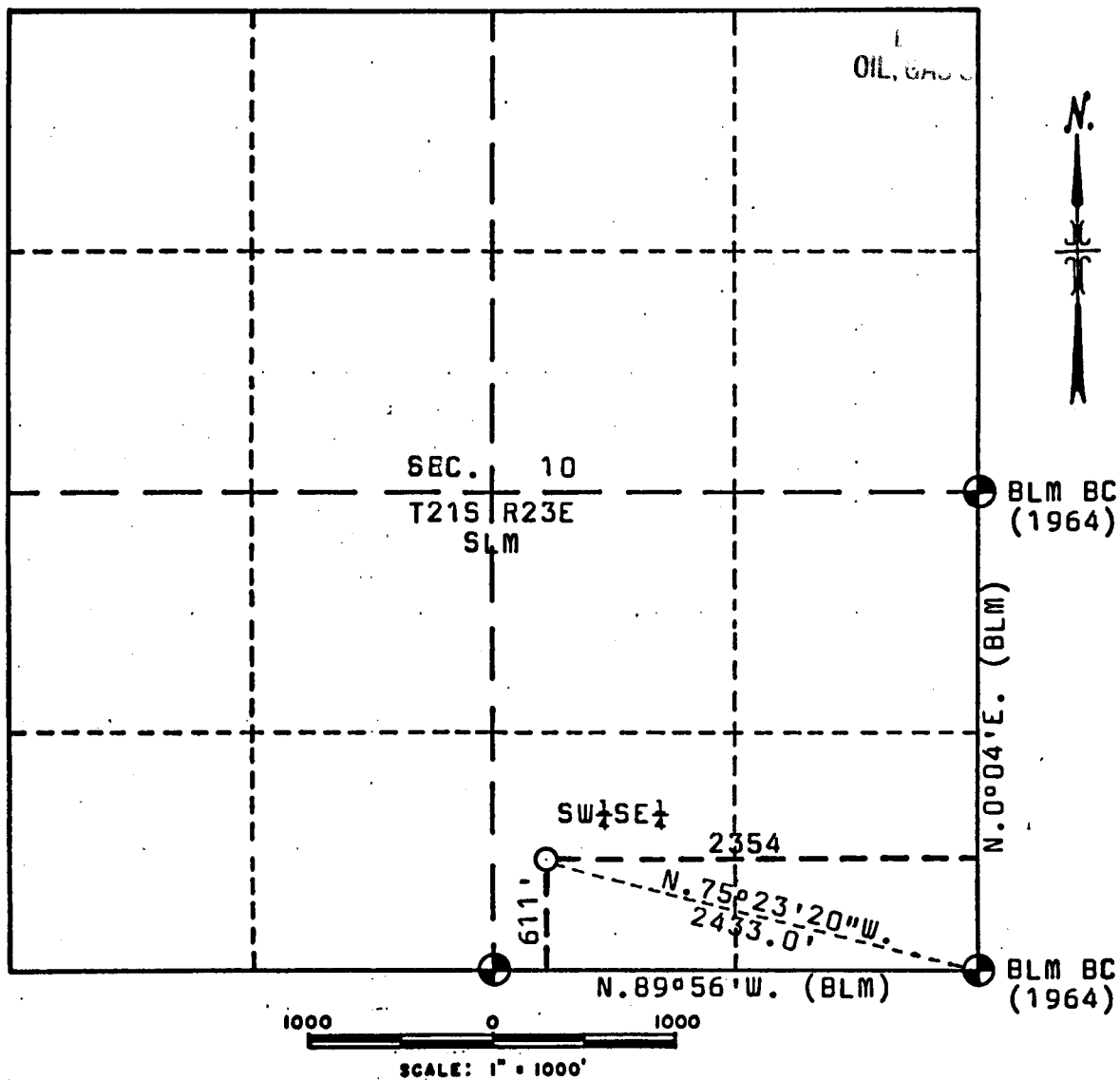
SEP 15 1989

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
Dated 1/1/80

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SEP 18 1989



MC NO. 1

Located 611 feet from the South line and 2354 feet from the East line of Section 10, T21S, R23E, SLM.

Elev. 4408

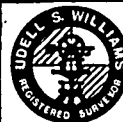
Grand County, Utah



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Udell S. Williams
Utah RLS No. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

MC NO. 1
SW 1/4 SE 1/4 SECTION 10
T21S, R23E, SLM

SURVEYED BY: USW DATE: 8/22/89
DRAWN BY: USW DATE: 8/24/89

RECEIVED
SEP 18 1989

Master Petroleum & Development Co., Inc.
Well No. MC #1
Sec. 10, T. 21 S., R. 23 E.
Grand County , Utah
Lease U-30956-A

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Master Petroleum & Development Co., Inc., is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT0140 (Principal - Master Petroleum & Development Co., Inc.) as provided for in 43 CFR 3104.3.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

A. DRILLING PROGRAM

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, Onshore Oil and Gas Order No. 2, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to the field representative to insure compliance.

B. Additional Requirements According To Onshore Oil and Gas Order No. 2

- 2000 psi BOP & BOPE:

Annular preventer, or double rams, or two rams with one being blind and one being a pipe ram

Kill line (2 inch minimum)

1 kill line valve (2 inch minimum)

1 choke line valve

2 chokes

Upper kelly cock valve with handle available

Safety valve and subs to fit all drill strings in use

Pressure gauge on choke manifold

2 inch minimum choke line

Fill-up line above the uppermost preventer

- If repair or replacement of the BOPE is required after testing, this work shall be performed prior to drilling out the casing shoe.
- When the BOPE cannot function to secure the hole, the hole shall be secured using cement, retrievable packer or bridge plug packer, bridge plug or other acceptable approved methods to assure safe well conditions.

- Choke Manifold Equipment:

All choke lines shall be straight lines unless turns use tee blocks or are targeted with running tees, and shall be anchored to prevent whip and reduce vibration.

All valves (except chokes) in the kill line, choke manifold and choke line shall be a type that does not restrict the flow (full opening) and that allows a straight through flow.

Pressure gauges in the well control system shall be a type designed for drilling fluid service.

- 2000 psi system - Accumulator Equipment:

Accumulator shall have sufficient capacity to close all BOP's and retain 200 psi above precharge. Nitrogen bottles that meet manufacturer's specifications may be used as the backup to the required independent power source.

Accumulator precharge pressure test: This test shall be conducted prior to connecting the closing unit to the BOP stack and at least once every 6 months.

Power for the closing unit pumps shall be available to the unit at all times so that the pumps shall automatically start when the closing unit manifold pressure has decreased to a pre-set level.

Each BOP closing unit shall be equipped with sufficient number and sizes of pumps so that, with the accumulator system isolated from service, the pumps shall be capable of opening the hydraulically-operated gate valve (if so equipped), plus closing the annular preventer on the smallest size drill pipe to be used within 2 minutes, and obtain a minimum of 200 psi. above specified accumulator precharge pressure.

A manual locking device (i.e., hand wheels) or automatic locking devices shall be installed on all systems of 2M or greater. A valve shall be installed in the closing line as close as possible to the annular preventer to act as a locking device. This valve shall be maintained in the open position and shall be closed only when the power source for the accumulator system is inoperative.

- BOP Testing:

Pressure tests on ram type preventers shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed off of pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test of BOP stack.

Annular BOP pressure tests shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above tests shall be performed:

**When initially installed;

**Whenever any seal subject to test pressure is broken;

**Following related repairs; and

**At 30 day intervals.

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s), the check valve shall be held open or the ball removed.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

- Casing and Cementing:

All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

All casing, except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.

All of the above described tests shall be recorded in the drilling log.

All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

Surface casing shall have centralizers on at least the bottom three joints depending on the severity of hole inclination.

Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.

All casing strings below the conductor shall be pressure tested to 0.22 psi/ft. of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.

- Mud Program Requirements:

The characteristics, use and testing of drilling mud and the implementation of related drilling procedures shall be designed to prevent the loss of well control. Sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring well control.

- Record slow pump speed on daily drilling report after mudding up.
- Visual mud monitoring equipment shall be in place to detect volume changes indicating loss or gain of circulating fluid volume.
- A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH.
- All flare systems shall be designed to gather and burn all gas. The flare line(s) discharge shall be located not less than 100 feet from the well head, having straight lines unless turns are targeted with running tees, and shall be positioned downwind of the prevailing wind direction and shall be anchored. The flare system shall have an effective method for ignition. Where non-combustible gas is likely or expected to be vented, the system shall be provided supplemental fuel for ignition and to maintain a continuous flare.

- Drill Stem Testing Requirements:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

- A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions, or displaced into the formation prior to pulling the test tool. This would involve providing some means for reverse circulation.
- Separation equipment required for the anticipated recovery shall be properly installed before a test starts.
- All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- Special Drilling Operations:

In addition to the equipment already specified elsewhere in Onshore Order No. 2 , the following equipment shall be in place and operational during air/gas drilling:

- Properly lubricated and maintained rotating head;
- Spark arresters on engines or water cooled exhaust;
- Blooie line discharge 100 feet from well bore and securely anchored;
- Straight run on blooie line unless otherwise approved;
- Deduster equipment;
- All cuttings and circulating medium shall be directed into a reserve or blooie pit;
- Float valve above bit;
- Automatic igniter or continuous pilot light on the blooie line;
- Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the well bore;
- Mud circulating equipment, water, and mud materials (does not have to be premixed) sufficient to maintain the capacity of the hole and circulating tanks or pits.

STIPULATIONS TO BE ADDED TO THE
THE SURFACE USE PLAN

MASTER PETROLEUM & DEVELOPMENT CO, INC.

APD: MC #1

- 1) The area of operation and disturbance is limited to the dimensions of 150 x 150 feet inclusive of the reserve pit.
- 2) Vehicular travel will be limited to a single track.
- 3) Six inches of topsoil will be removed from the pit area and stockpiled separately from the diggings.
- 4) A seed mixture will be perscribed by the Grand Resource Area office upon request for abandonment.
- 5) After the initial reclamation has been accepted, final abandonment release will be issued when the seeding is shown to be successful. This will be determined by an Authorized Officer from the Grand Resource Area office.

TABLE 1

NOTIFICATIONS

Notify Jeff Robbins of the Grand Resource Area, at (801) 259-8193 for the following:

2 days prior to commencement of dirt work, construction, or reclamation;

1 day prior to spudding;

1 day prior to running and cementing surface casing;

1 day prior to pressure testing of surface casing.

Notify the Moab District Office, Branch of Fluid Minerals, at (801) 259-6111 for the following:

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes, and emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed:

Dale Manchester, Petroleum Engineer	Office Phone: (801) 259-6111
	Home Phone: (801) 259-6239
Eric Jones, Petroleum Engineer	Office Phone: (801) 259-6111
	Home Phone: (801) 259-2214

If unable to reach the above individuals, including weekends, holidays, or after hours, please call the following:

Lynn Jackson,	Office Phone: (801) 259-6111
Chief, Branch of Fluid Minerals	Home Phone: (801) 259-7990

24 HOURS ADVANCE NOTICE IS REQUIRED FOR ALL ABANDONMENTS.

NOTE TO WELL FILE

MC 1

API 43-019-31293

OCTOBER 3, 1991

PROBLEM

THE APD FOR THIS WELL WAS ORIGINALLY APPROVED 9/13/89. THE BLM DIDN'T RESCIND IT WHEN THEY SHOULD HAVE (ONE YEAR). MASTER PETROLEUM SUBMITTED A NEW APD IN MARCH OF 1991. TAS CALLED THE BLM, AND THEY SAID THAT THEY WOULD RESCIND THE ORIGINAL 1989 APD AS SOON AS THEY COULD GET AROUND TO IT AND WOULD APPROVE THE NEW 1991 APD.

BEING CONSISTENT, WE SHOULD HAVE LA'D THE ORIGINAL APD AT THAT TIME, THEN APPROVED THE NEW APD WITH A NEW API NUMBER AND COMPUTER SCREEN IN THE IBM. THIS IS THE PROCEDURE CURRENTLY FOLLOWED WHEN A WELL IS LA'D THEN LATER RE-PERMITTED. INSTEAD, RJF WANTED THE NEW APD TREATED MORE LIKE A REQUEST TO EXTEND THE 1989 APD AND INSTRUCTED US TO NOT LA THE 1989 APD UNTIL THE BLM DID. I ARGUED AGAINST THIS AS I THOUGHT IT WOULD ONLY CREATE PAPERWORK CONFUSION IN THE LONG RUN. I LOST THE ARGUMENT.

WE APPROVED THE NEW APD WITHOUT TAKING ANY ACTION ON THE 1989 APD. THE FOLLOWING MONTH, WE RECEIVED A RESCIND LETTER FROM THE BLM FOR THE FIRST APD. WE LA'D THE WELL NOT REMEMBERING OR REALIZING THAT WE REALLY HAD TWO ACTIVE APDs IN PLACE FOR THE WELL.

CJK BROUGHT THE FILE TO ME ON 10/2/91 TO ADVISE ME THAT WE WERE SHOWING THE WELL AS LA'D WHILE A DRILLING RIG IS OUT DRILLING IT.

TO COMPLY WITH RJF'S INSTRUCTIONS, WE HAVE ONE SCREEN SET UP IN THE IBM DATA BASE. IT SHOWS THE 1991 APD DATA WITH COMMENTS INDICATING THAT THE 1989 APD WAS RESCINDED. THE SAME APPLIES FOR THE CARDEX FILE.

DTS

10/3/91



Norman H. Bangert
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

September 13, 1989

Master Petroleum & Development Co., Inc.
814 South 7th Street
Grand Junction, Colorado 81501

Gentlemen:

Re: M.C. #1 - SW SE Sec. 10, T. 21S, R. 23E - Grand County, Utah
611' FSL, 2354' FEL

Approval to drill the referenced well is hereby granted in accordance with the Order of Cause No. 102-16B dated November 15, 1979, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification if it is necessary to plug and abandon the well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of Rule R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

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MAR 04 1991

DIVISION OF
OIL, GAS & MINING

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-019-31293.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

lcr
Enclosures
cc: Bureau of Land Management
D. R. Nielson
J. L. Thompson
WE14/1-2

MASTER PETROLEUM & DEVELOPMENT CO., INC.

Complete Oil and Gas Land Management
Production Development

814 South 7th Street
Grand Junction, Colorado 81501
(303) 241-4213

February 28, 1991

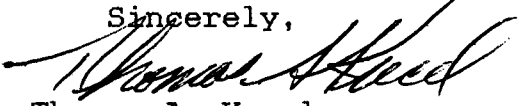
Utah Division of Oil, Gas & Mining
355 West North Temple
Three Triad Center, Suite 350
Salt Lake City, Utah, 84180-1203

RE: Application for Permit to Drill
Well # M.C. 1

Gentlemen,

Enclosed is an A.P.D. for the M.C. #1 well and a copy of the prior approval to drill the well. We anticipate commencement of drilling operations as soon as approvals are recieved. If you have any questions please do not hesitate to contact me at your earliest convenience.

Sincerely,


Thomas A. Kucel, pres.

RECEIVED
MAR 04 1991

DIVISION OF
OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐
SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR
814 South 7th St., Grand Junction, Colo., 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 611' FSL, 2354' FEL, Section 10, T21S, R23E SLM & B
At proposed prod. zone SW $\frac{1}{4}$ SE $\frac{1}{4}$

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
4 miles NW of Cisco, Utah

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)
611'

16. NO. OF ACRES IN LEASE
40

17. NO. OF ACRES ASSIGNED
TO THIS WELL 10

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.
500'

19. PROPOSED DEPTH
1100' SLTW

20. ROTARY OR CABLE TOOLS
rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
4408 Gr

22. APPROX. DATE WORK WILL START*
4-5-91

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 $\frac{1}{2}$ "	7"	23#	160'	23 Sxs
6 $\frac{1}{4}$ "	4 $\frac{1}{2}$ "	10.5#	1100'	40 sxs

Surface casing to be set to 160'. Cement will be circulated to surface.

In the event production is established at the target depth 4 $\frac{1}{2}$ " casing will be cemented with 40 sxs. which is sufficient to provide zone segregation casing integrity,

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MAR 04 1991

DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Thomas A. Kessel TITLE pres. DATE 2-28-91

(This space for Federal or State office use)

API 43-019-31093

APPROVAL DATE

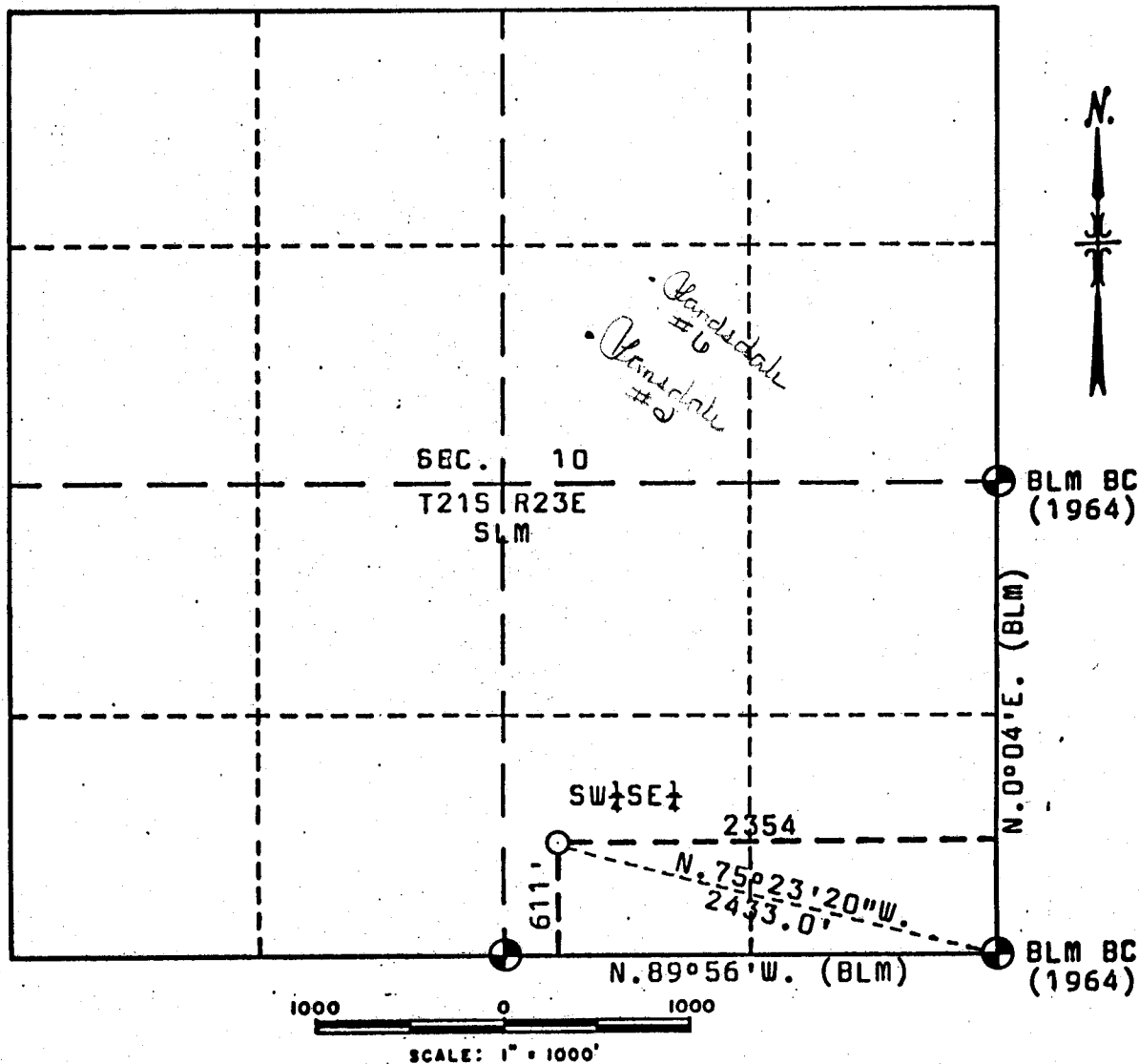
APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS & MINING

APPROVED BY
CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE 3-12-91
BY: Matthew
WELL SPACING 102-16B

*See Instructions On Reverse Side



MC NO. 1

Located 611 feet from the South line and 2354 feet from the East line of Section 10, T21S, R23E, SLM.

Elev. 4408

Grand County, Utah



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Utah RLS No. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF PROPOSED LOCATION

MC NO. 1
SW 1/4 SE 1/4 SECTION 10
T21S, R23E, SLM

SURVEYED BY: USW DATE: 8/22/89
DRAWN BY: USW DATE: 8/24/89

Master Petroleum & Development Co., Inc.
Well No. MC #1
Sec. 10, T. 21 S., R. 23 E.
Grand County , Utah
Lease U-30956-A

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Master Petroleum & Development Co., Inc., is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT0140 (Principal - Master Petroleum & Development Co., Inc.) as provided for in 43 CFR 3104.3.

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- 2000 psi BOP & BOPE:

Annular preventer, or double rams, or two rams with one being blind and one being a pipe ram

Kill line (2 inch minimum)

1 kill line valve (2 inch minimum)

1 choke line valve

2 chokes

Upper kelly cock valve with handle available

Safety valve and subs to fit all drill strings in use

Pressure gauge on choke manifold

2 inch minimum choke line

Fill-up line above the uppermost preventer

- If repair or replacement of the BOPE is required after testing, this work shall be performed prior to drilling out the casing shoe.

- When the BOPE cannot function to secure the hole, the hole shall be secured using cement, retrievable packer or bridge plug packer, bridge plug or other acceptable approved methods to assure safe well conditions.

- Choke Manifold Equipment:

All choke lines shall be straight lines unless turns use tee blocks or are targeted with running tees, and shall be anchored to prevent whip and reduce vibration.

All valves (except chokes) in the kill line, choke manifold and choke line shall be a type that does not restrict the flow (full opening) and that allows a straight through flow.

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- **When initially installed;

- **Whenever any seal subject to test pressure is broken;

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- Drill Stem Testing Requirements:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

- A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions, or displaced into the formation prior to pulling the test tool. This would involve providing some means for reverse circulation.
- Separation equipment required for the anticipated recovery shall be properly installed before a test starts.
- All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- Special Drilling Operations:

In addition to the equipment already specified elsewhere in Onshore Order No. 2 , the following equipment shall be in place and operational during air/gas drilling:

- Properly lubricated and maintained rotating head;
- Spark arresters on engines or water cooled exhaust;
- Blooie line discharge 100 feet from well bore and securely anchored;
- Straight run on blooie line unless otherwise approved;
- Deduster equipment;
- All cuttings and circulating medium shall be directed into a reserve or blooie pit;
- Float valve above bit;
- Automatic igniter or continuous pilot light on the blooie line;
- Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the well bore;
- Mud circulating equipment, water, and mud materials (does not have to be premixed) sufficient to maintain the capacity of the hole and circulating tanks or pits.

STIPULATIONS TO BE ADDED TO THE
THE SURFACE USE PLAN

MASTER PETROLEUM & DEVELOPMENT CO, INC.

APD: MC #1

- 1) The area of operation and disturbance is limited to the dimensions of 150 x 150 feet inclusive of the reserve pit.
- 2) Vehicular travel will be limited to a single track.
- 3) Six inches of topsoil will be removed from the pit area and stockpiled separately from the diggings.
- 4) A seed mixture will be perscribed by the Grand Resource Area office upon request for abandonment.
- 5) After the initial reclamation has been accepted, final abandonment release will be issued when the seeding is shown to be successful. This will be determined by an Authorized Officer from the Grand Resource Area office.

TABLE 1

NOTIFICATIONS

Notify Jeff Robbins of the Grand Resource Area, at (801) 259-8193 for the following:

2 days prior to commencement of dirt work, construction, or reclamation;

1 day prior to spudding;

1 day prior to running and cementing surface casing;

1 day prior to pressure testing of surface casing.

Notify the Moab District Office, Branch of Fluid Minerals, at (801) 259-6111 for the following:

No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly drilled dry holes, and emergency situations, verbal approval can be obtained by calling the following individuals, in the order listed:

Dale Manchester, Petroleum Engineer	Office Phone: (801) 259-6111
	Home Phone: (801) 259-6239
Eric Jones, Petroleum Engineer	Office Phone: (801) 259-6111
	Home Phone: (801) 259-2214

If unable to reach the above individuals, including weekends, holidays, or after hours, please call the following:

Lynn Jackson,	Office Phone: (801) 259-6111
Chief, Branch of Fluid Minerals	Home Phone: (801) 259-7990

24 HOURS ADVANCE NOTICE IS REQUIRED FOR ALL ABANDONMENTS.

UT-060-3160-1
(April 1984)

BUREAU OF LAND MANAGEMENT
MOAB DISTRICT
CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company Master Petroleum & Development Co., Inc. Well No. MC #1
Location: Sec. 10 T. 21S R. 23E Lease No U-30956-A
Onsite Inspection Date _____

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops: _____
Mancos 0- 712 _____
Dakota 712 _____
Morrison- 940' _____
Salt Wash 1100' _____

2. Estimated Depth at Which Oil, Gas, Water, or Mineral-Bearing Zones Are Expected to Be Encountered:

	<u>Formation</u>	<u>Depth</u>
Expected oil zones:	Morrison(Brushy Basin	940'
	Salt Wash	1100'
Expected gas zones:	Dakota	712'
Expected water zones:		
Expected mineral zones:		

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling will be recorded by depth, cased and cemented. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment: Regan " Torus " 3000 psi Blowout preventer
will be flanged to the surface casing. Pipe and blind rams will be in
place together with adequate accumulator. Dual choke lines shall be
available if needed. _____

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventors will be pressure-tested before drilling casing cement plugs. The Resource Area will be notified 2 days in advance when pressure tests are to be conducted.

4. Casing Program and Auxiliary Equipment: 7" surface casing will be cemented to surface. 4 1/2" production casing will be cemented from the producing formation to at minimum of 50 feet above the productive zone. production casing has been tested and inspected.

Anticipated cements tops will be reported as to depth, not the expected number of sacks. The Resource Area (will/will not) be notified 1 days in advance when running casing strings and cement.

5. Mud Program and Circulating Medium: Well shall be air drilled to T.D.. Brine (10#) shall be used to kill the well in the event of production. Mud tank and Gaso mud pump shall be on location for this purpose.

Blooe line will be misted to reduce fugitive dust when air drilling.

6. Coring, Logging, and Testing Program: No logs are anticipated. Productive formations will be tested as they are encountered. Samples shall be taken in ten foot intervals beginning at 600'

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cutting, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:

Maximum anticipated well pressure is less than 500 psi. BOP is of sufficient size to allow for complete control of this pressure. (3000 psi rating).

8. Anticipated Starting Dates and Notification of Operations:

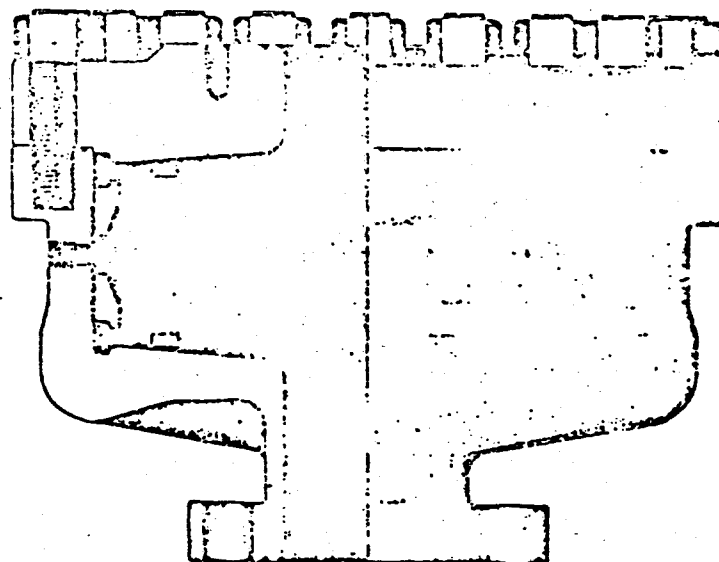
- a The operator will contact the GRAND Resource Area at 1-801-259-8193, forty-eight (48) hours prior to beginning any dirt work on this location.
- b No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.
- c The spud date (will/will not) be reported orally to the Area Manager within a minimum of twenty-four (24) hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.
- d In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed directly with the ~~BLM District Office, P.O. Box 970, Moab, Utah 84532~~; MMS.
- e Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.
- f If the replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed for prior approval of the District Manager, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved by the District Petroleum Engineer.
- g Should the well be successfully completed for production, the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.
- h A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.
- i No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be

REGAN BLOWOUT PREVENTERS

The Regan Torus Blowout Preventer is used primarily on production and workover rigs for well control up to 3000 PSI working pressure.

DESIGN FEATURES

- The Torus Preventer is designed for minimum height to facilitate its use with production and workover rigs.
- The rubber packer will conform to any ob-
struction in the well bore. Sealing ability is not affected by minor damage to the inner bore.
- The packer will seal an open hole at full working pressure.
- The dual packer design increases the reliability of the preventer since the outer rubber packer is never exposed to the well bore. Under normal service, the outer packer is rarely damaged.



TORUS BLOWOUT PREVENTER
PATENTED

SPECIFICATIONS

Nominal Size	Test Pressure (psi)	DIMENSIONS (in.)			Weight (lb.)	End Flanges (I)	R/RX Ring Grooves	Side Outlet
		Outside Diameter	Thru Bore	Overall Height				
6	3000 4500	22 24 1/2	2 1/2 2 1/2	19 1/2 21 1/2	1700 2400	Nom. 6 Nom. 6	45 45	None 2" L.P.

(1) Bottom flange holes elongated for use with either 2000 or 3000 psi API-5B flange. (Also can be used with obsolete Ser. 400 API flange.) Top flange normally checked for 3000 psi 2.01-64 flange unless otherwise noted.

obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

- J Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.
- K Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed as follows: 4½" casing will be secured to the well, approx. 5' above Gr., bearing the appropriate description.
The top of the marker will be closed or capped.
- L The following minimum information will be permanently placed on the marker plate, cap or beaded-on with a welding torch:
 - M "Fed" or "Ind", as applicable, "Well Number, location by 1/4 1/4 section, township and range". "Lease Number".
 - N Other: _____

B. THIRTEEN-POINT SURFACE USE PLAN

1. Existing Roads:

- a. Location of proposed well in relation to town or other reference point: Approximately 4 miles Northwest of Cisco, Utah.
- b. Proposed route to location: Exit Hwy. 6 & 50 at a point East of Cisco onto a county road to operators Right of Way # U-54/03 to location .
- c. Plans for improvement and/or maintenance of existing roads: Operator presently maintains the existing roads as required. No new improvements are needed to access the location other than a short (400± ft.) location access point.
- d. Other: All new ground disturbance shall be minimal. In the event the well is productive any new improvements shall be upgraded as required.

2. Planned Access Roads:

a. The maximum total disturbed width will be 12 feet.

b. Maximum grades: none

c. Turnouts: none

d. Location (centerline):

e. Drainage:

f. Surface Materials: minimal surface disturbance. there will not be a need to stockpile any surface material

g. Other:

h. Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.

i. The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells: Federal #1 - SWSE sec.10., MPD 10-2C- NWSE sec.10.

4. Location of Tank Batteries and Production Facilities:

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Slate grey or as required

- c If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.
- c All loading lines and valves will be placed inside the berm surrounding the tank battery.
- c All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- c All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- c All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.
- c Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.
- c The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from:
Colorado River at Fish Ford.

_____.

A temporary water use permit for this operation will be obtained from the Utah State Engineer _____.
Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from: N/A

_____.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3. Source of construction material (will/will not) be located on lease.

7. Methods of Handling Water Disposal:

- a The reserve pit (will/will/not) be lined" All cuttings and drilling fluids shall be discharged in to a reserve pit and buried upon well completion. Trash and other waste shall be contained in a trash cage and removed from location.
- c Three sides of the reserve pit will be fenced with 4' stock fencing before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.
- c All trash must be contained and disposed of by: Master Petroleum & Development Co., Inc.
- a If burning is required, a permit will be obtained from the State Fire Warden .
- e Produced waste water will be confined to a (~~lined~~/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

Other:

8. Ancillary Facilities:

Camp facilities (~~XXXX~~/will not) be required. They will be located:

9. Well Site Layout:

The reserve pit will be located: 120 feet East Southeast of the drill hole

The top inches of soil material will be removed from the location and stockpiled separately on

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be from: Existing Federal #1 wellsite
East of the proposed location from operators R/W #U-54703

The trash pit will be located: Trash bin will be located next to the dog house and removed when operations cease.

10. Plans for Restoration of Surface:

a. Immediately upon completion of drilling, the location, and surrounding areas will be cleared of all remaining debris, materials, trash, and junk not required for production. _____

b. Before any dirt work to restore the location and surrounding area will be cleared of all remaining debris, materials, trash and junk not required for production. _____

c. The operator or his contractor (will/will not) notify the _____ Resource Area at _____ forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

d. All disturbed areas will be recontoured to the approximate natural contours. _____

e. The stockpiled topsoil will be evenly distributed over the disturbed areas. _____

f. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface. _____

g. Seed will be broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage. _____

The following seed mixture will be used: _____

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed. _____

Additional Requirements: _____

11. Surface and Mineral Ownership:

Master Petroleum & Development is the Lessee of record of this federal Lease.

12. Other Information:

- a. There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.
- b. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.
- c. The dirt contractor will be provided with an approved copy of the surface use plan.
- d. A cultural resource clearance (will/will not) be required before any construction begins. If any cultural resources area found during construction, all work will stop and the Area Manager will be notified.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. Lessee's Operator's Representative and Certification

Representative:

Name: Tom Kucel

Address: 814 South 7th St.

Grand Junction, Colorado, 81501

Phone No.: 303-241-4213, home 303-434-5220

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed

by: Master Petroleum & Development Co., Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Date


Name and Title

B. SURFACE USE PROGRAM

The operator will contact the Grand Resource Area at (801) 259-8193, forty-eight (48) hours prior to beginning any dirt work on this location.

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.

* The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

Immediately upon completion of drilling, the location, and surrounding areas will be cleared of all remaining debris, materials, trash, and junk not required for production.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

All loading lines and valves will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows:

The operator or his contractor will notify the Grand Resource Area at (801) 259-8193 forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

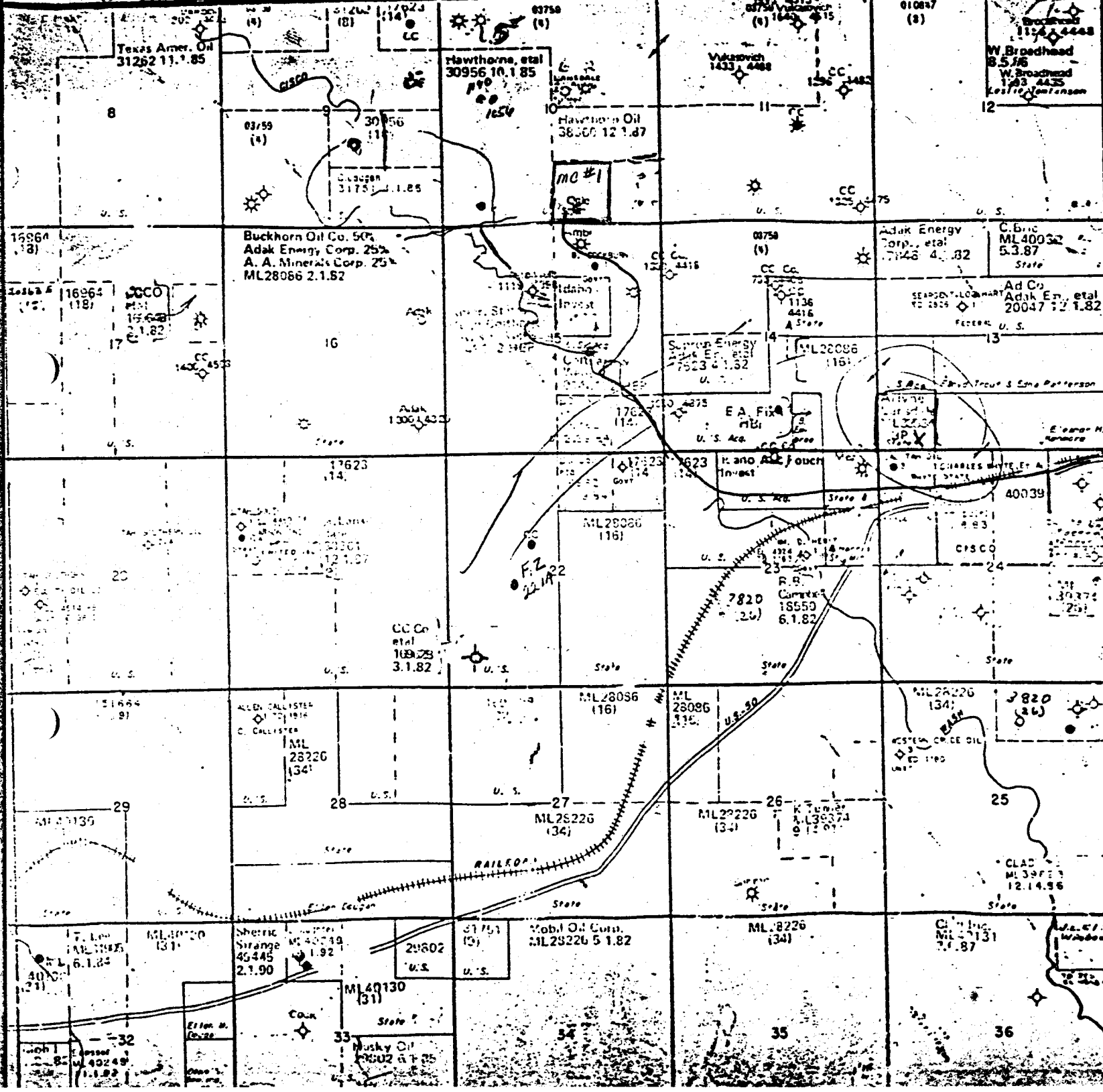
Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

The following seed mixture will be used:

<u>Species</u>		<u>lbs/acre</u>
<u>Grasses</u>		
Agropyron spicatum	Bluebunch wheatgrass	1
Hilaria jamesii	Galleta (Curlygrass)	1
Oryzopsis hymenoides	Indian ricegrass	1
<u>Forbs</u>		
Melilotus officinalis	Yellow sweetclover	1/2
Medicago sativa	Alfalfa	1/2
	(Spreador II, Nomad, Ladak)	
<u>Shrubs</u>		
Eurotia lanata	Winterfat (Whitesage)	<u>2</u>
		6 lbs/acre

Broadcast seed will be applied at double the above rate.

Final location release will be issued when the seeding is shown to be successful (when perennial vegetation is established).



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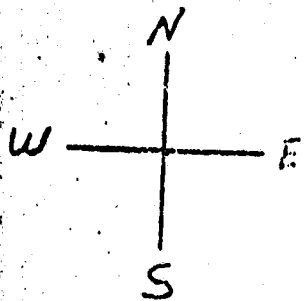
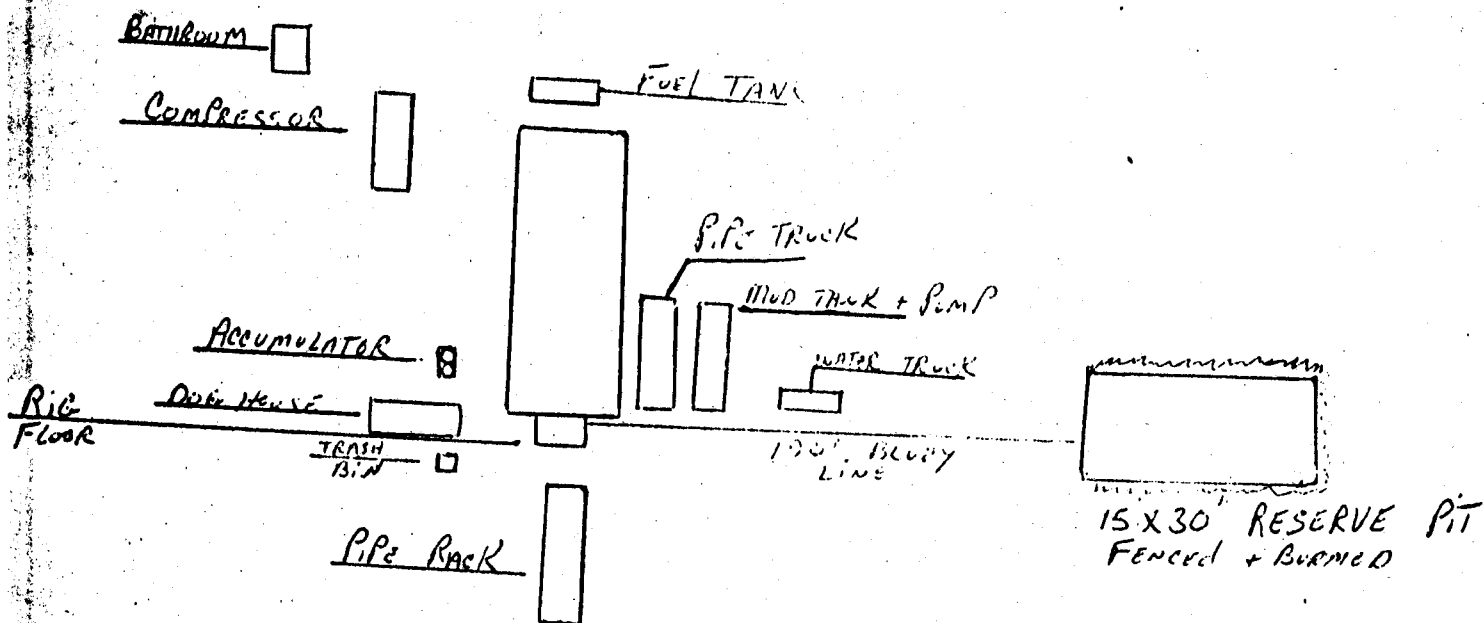
THE
PART
CN

WELLSITE SCHEMATIC

RIG LAY OUT

ACCESS ROAD

PARKING AREA





United States Department of the Interior

BUREAU OF LAND MANAGEMENT
UTAH STATE OFFICE
324 SOUTH STATE, SUITE 301
SALT LAKE CITY, UTAH 84111-2303

IN REPLY REFER TO

3104
(U-942)

DEC 18 1984

DECISION

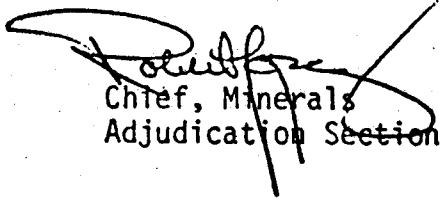
Master Petroleum and Development	:	\$25,000 Statewide
Company, Inc.	:	Oil and Gas Bond
814 S. 7th Street	:	
Grand Junction, Colorado 81501	:	

Bond Accepted

A \$25,000 statewide oil and gas bond, No. 43-45-57, was filed in this office December 7, 1984. The bond was executed October 29, 1984, with Master Petroleum and Development Company, Inc. as principal and New Hampshire Insurance Company as surety.

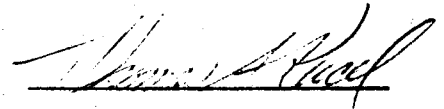
This bond constitutes coverage in the State of Utah for obligations under oil and gas leases held or hereafter acquired by the principal, including lease offers, assignments, operating agreements, etc., issued under the authority of the Minerals Leasing Act of 1920, as amended, and the Mineral Leasing Act for Acquired Lands, as amended. The bond is satisfactory and is hereby accepted effective December 7, the date of filing.

Coverage under your statewide bond will not, however, extend to include additional principals, and the coverage does not extend to any lands where the principals are or become the unit operator but do not own the record title or operating rights in such lands either solely or jointly with others whose interests are likewise covered by appropriate bonds.


Chief, Minerals
Adjudication Section

OPERATORS CERTIFICATION

I, Thomas A. Kucel, as president and registered agent of Master Petroleum & Development Co., Inc. hereby certify that Master Petroleum & Development Co., Inc. is the Lessee of record and the Operator of the lease and wells described in this information package. Master Petroleum & Development is insured and bonded in the state of Utah to conduct all operations associated with Oil & Gas lease development.

A handwritten signature in dark ink, appearing to read 'Thomas A. Kucel', is written over a horizontal line.

Thomas A. Kucel, pres.
Master Petroleum & Development
Co., Inc.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

March 12, 1991

Master Petroleum & Development Co., Inc.
814 South 7th Street
Grand Junction, Colorado 81501

Gentlemen:

Re: M.C. #1 Well, Re-entry, 611 feet from the South line, 2354 feet from the East line, SW SE, Section 10, Township 21 South, Range 23 East, Grand County, Utah

Approval to drill the referenced well is hereby granted in accordance with the Order in Cause No. 102-16B dated November 15, 1979 subject to the following stipulation:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Utah Code Ann. Section 73-3, Appropriation.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of Entity Action Form 6, within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification in the event it is necessary to plug and abandon the well. Notify R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, or J. L. Thompson, Lead Inspector, (Home) 298-9318.

Page 2
Master Petroleum & Development Co., Inc.
M.C. #1
March 12, 1991

5. Compliance with the requirements of Utah Admin. R.615-3-20, Gas Flaring or Venting.
6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of Drinking Water/Sanitation, telephone (801) 538-6159.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-019-31293.

Sincerely,



B. J. Firth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
J. L. Thompson
we14/1-26

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR

814 South 7th St., Grand Junction, Colo., 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

611' FSL, 2354' FEL, Section 10, T21S, R23E SLM & B
SW $\frac{1}{4}$ SE $\frac{1}{4}$

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

4 miles NW of Cisco, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

611'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

500'

16. NO. OF ACRES IN LEASE

40

19. PROPOSED DEPTH

1100'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

10

20. ROTARY OR CABLE TOOLS

rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4408 Gr

22. APPROX. DATE WORK WILL START*

4-5-91

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
--------------	----------------	-----------------	---------------	--------------------

RECEIVED

MAR 22 1991

DIVISION OF
OIL GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Thomas A. Rhea TITLE pres. DATE 2-28-91

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

/s/ Kenneth V. Rhea

ACTING

DISTRICT MANAGER

DATE

MAR 19 1991

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

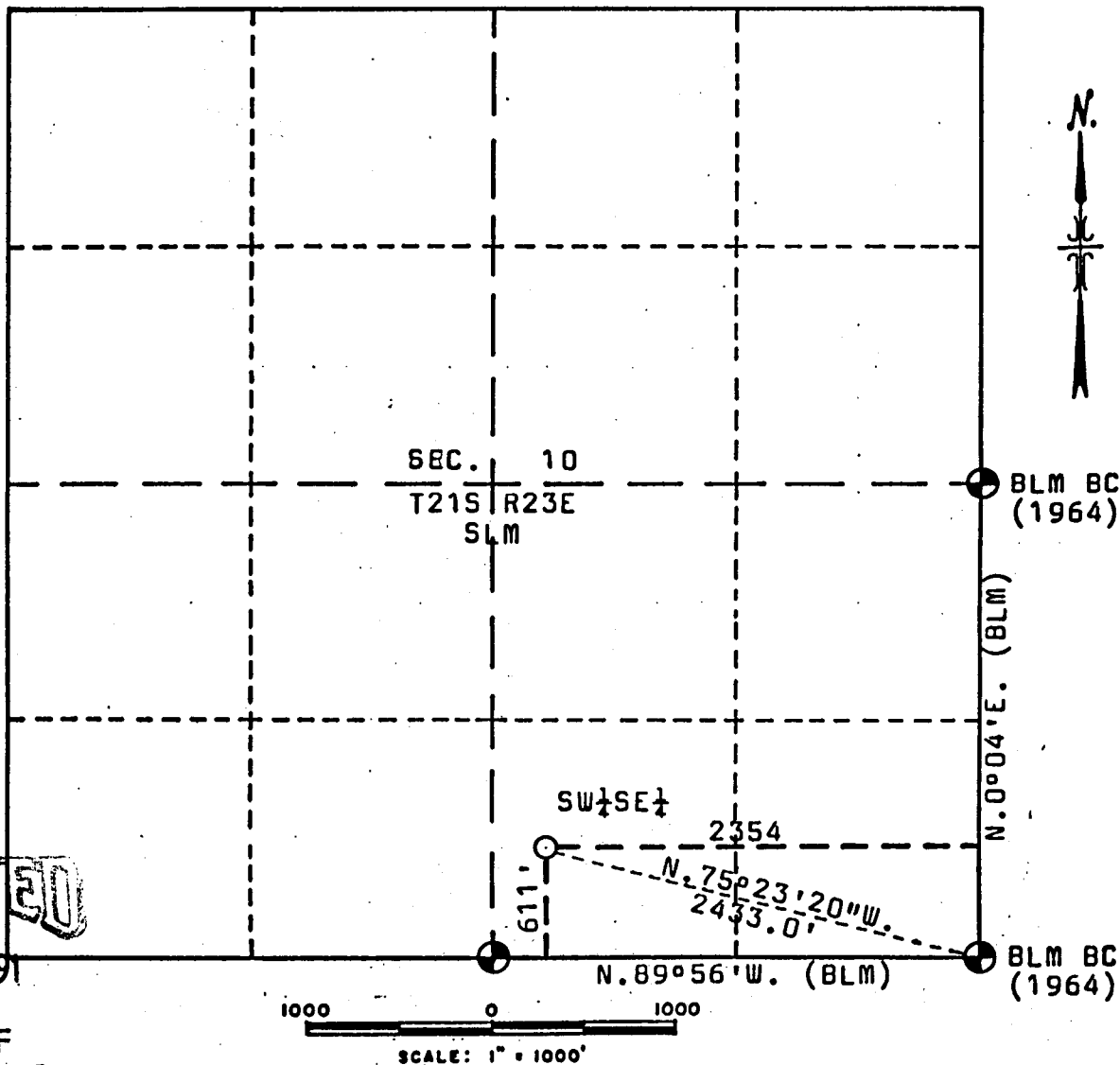
FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A

Dated 1/1/80

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Donm



RECEIVED

MAR 22 1991

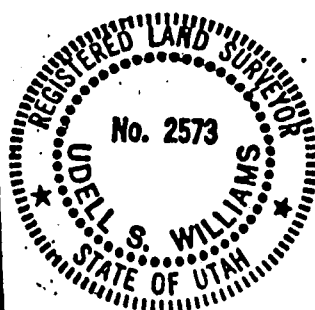
DIVISION OF
OIL GAS & MINING

MC NO. 1

Located 611 feet from the South line and 2354 feet
from the East line of Section 10, T21S, R23E, SLM.

Elev. 4408

Grand County, Utah



SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED
FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR
UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE
AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

Udell S. Williams
Utah RLS No. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

MC NO. 1
SW 1/4 SE 1/4 SECTION 10
T21S, R23E, SLM

SURVEYED BY: USW DATE: 8/22/89
DRAWN BY: USW DATE: 8/24/89

Master Petroleum & Development Co., Inc.
Well No. MC #1
SWSE Sec. 10, T. 21 S., R. 23 E.
Grand County, Utah
Lease U-30956A

RECEIVED

MAR 22 1991

DIVISION OF
OIL GAS & MINING

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Master Petroleum & Development Co., Inc., is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT0140 (Principal - Master Petroleum & Development Co., Inc.) via surety consent as provided for in 43 CFR 3104.3.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

A. DRILLING PROGRAM

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Order No. 1, Onshore Oil and gas Order No. 2 and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to the field representative to insure compliance.

1. Surface casing shall have a centralizer on each of the bottom three joints.
2. Daily drilling and completion progress reports shall be submitted to the Moab District Office on a weekly basis.
3. Required verbal notifications are summarized in Table 1, attached. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.
4. A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.

STIPULATIONS TO BE ADDED TO THE
THE SURFACE USE PLAN

MASTER PETROLEUM & DEVELOPMENT CO, INC.

APD: MC #1

- 1) The area of operation and disturbance is limited to the dimensions of 150 x 150 feet inclusive of the reserve pit.
- 2) Vehicular travel will be limited to a single track.
- 3) Six inches of topsoil will be removed from the pit area and stockpiled separately from the diggings.
- 4) A seed mixture will be perscribed by the Grand Resource Area office upon request for abandonment.
- 5) After the initial reclamation has been accepted, final abandonment release will be issued when the seeding is shown to be successful. This will be determined by an Authorized Officer from the Grand Resource Area office.

C. SURFACE USE PLAN

1. All site security guidelines identified in 43 CFR 3162.7-5 and ONSHORE OIL AND GAS ORDER NO.3; SITE SECURITY will be adhered to.
2. Gas measurement will be conducted in accordance with the ONSHORE ORDER NO. 5; GAS MEASUREMENT and 43 CFR 3162.7-3.
3. Oil measurement will be conducted in accordance with ONSHORE OIL AND GAS ORDER NO. 4; OIL MEASUREMENT as of the effective date of August 23, 1989 and 43 CFR 3162.7-2.
4. All loading lines and valves will be placed inside the berm surrounding the tank battery.
5. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the Assistant District Manager.
6. Pipeline construction activity is not authorized under this permit.
7. Produced waste water will be confined to a unlined pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the Assistant District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).
8. There will be no deviation from the proposed drilling and/or workover program without prior approval from the Assistant District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6.
9. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
10. The dirt contractor will be provided with an approved copy of the surface use plan of operations.
11. This permit will be valid for a period of one (1) year from, the date of approval. After permit termination, a new application will be filed for approval for any future operations.
12. Copies of all water analysis required by the State of Utah in relation to surface discharge of produced water will be submitted to the Moab District Office; Bureau of Land Management.
13. Plans will be formulated for long term monitoring of aquifers and springs in the area of proposed development prior to approval of further Applications for Permit to Drill.

NOTIFICATIONS

Notify Elmer Duncan of the Grand Resource Area, at
(801) 259-8193 for the following:

2 days prior to commencement of dirt work, construction or reclamation;

1 day prior to spudding;

50 feet prior to reaching surface casing depth;

3 hours prior to testing BOP's and surface casing.

If the person at the above number cannot be reached, then notify Fred Oneyear in the Moab District Office at (801) 259-6111 or at home (801) 259-5937 (If unsuccessful, then notify one of the following people listed below).

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Dale Manchester, Petroleum Engineer	Office Phone: (801) 259-6111
	Home Phone: (801) 259-6239
Eric Jones, Petroleum Engineer	Office Phone: (801) 259-6111
	Home Phone: (801) 259-2214

If unable to reach the above individuals including weekends, holidays, or after hours please call the following:

Lynn Jackson,	Office Phone: (801) 259-6111
Chief, Branch of Fluid Minerals	Home Phone: (801) 259-7990

24 HOURS ADVANCE NOTICE IS REQUIRED FOR ALL ABANDONMENTS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR
814 South 7th St., Grand Junction, Colo., 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 611' FSL, 2354' FEL, Section 10, T21S, R23E SLM & B
At proposed prod. zone SW $\frac{1}{4}$ SE $\frac{1}{4}$

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4 miles NW of Cisco, Utah

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(Also to nearest drig. unit line, if any)

611'

16. NO. OF ACRES IN LEASE
40

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18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
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500'

19. PROPOSED DEPTH
1100'

20. ROTARY OR CABLE TOOLS
rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
4408 Gr

22. APPROX. DATE WORK WILL START*
4-5-91

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8 $\frac{1}{2}$ "	7"	23#	160'	23 Sxs
6 $\frac{1}{4}$ "	4 $\frac{1}{2}$ "	10.5#	1100'	40 sxs

Surface casing to be set to 160'. Cement will be circulated to surface.

In the event production is established at the target depth 4 $\frac{1}{2}$ " casing will be cemented with 40 sxs. which is sufficient to provide zone segregation casing integrity,

RECEIVED

MAR 22 1991

DIVISION OF
OIL GAS & MINING

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(This space for Federal or State office use)

PERMIT NO. /s/ Kenneth V. Rhea APPROVAL DATE MAR 19 1991
ACTING DISTRICT MANAGER

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A

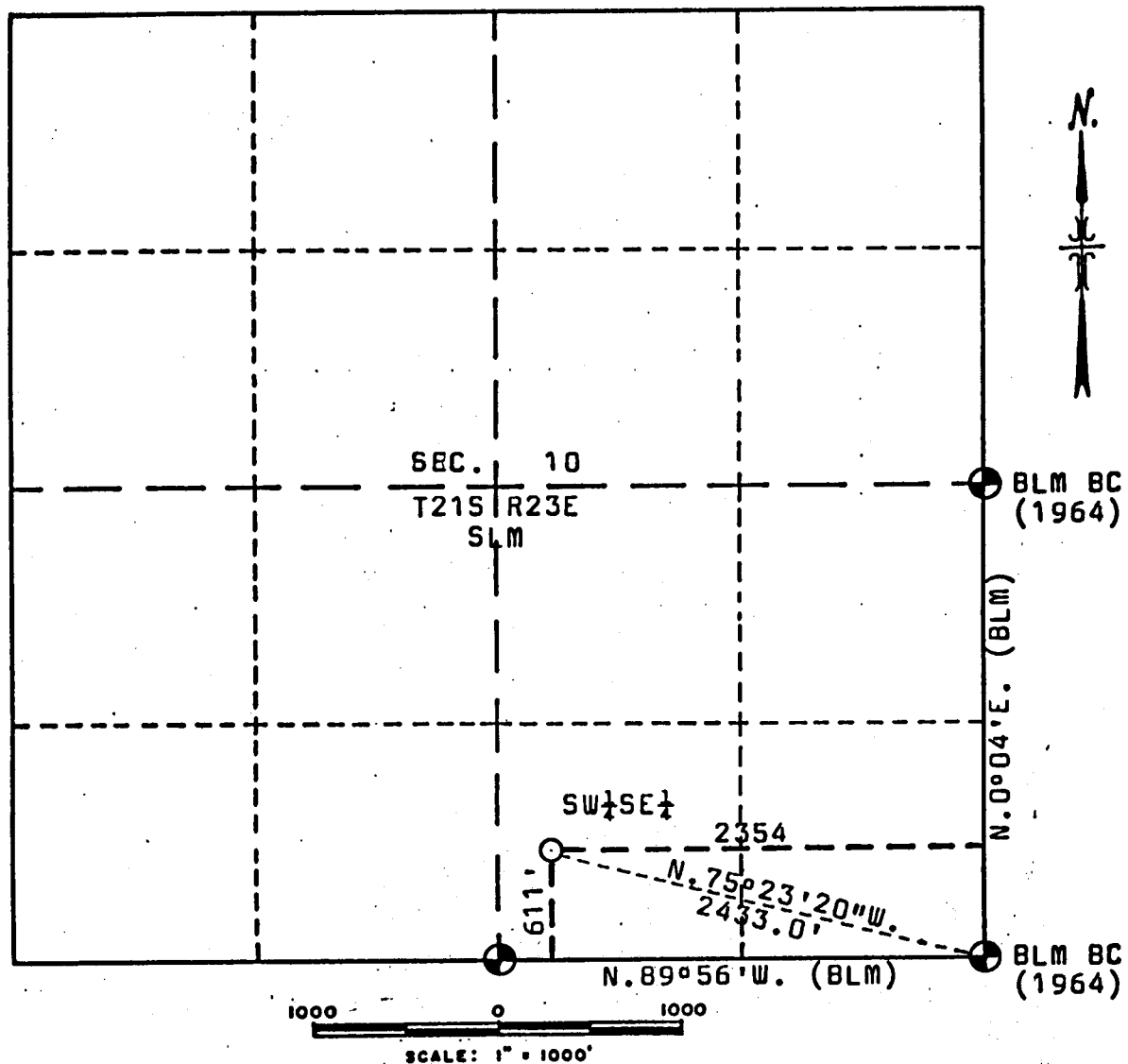
Dated 1/1/80

CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

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DO NOT SIGN: JAMIE Searling

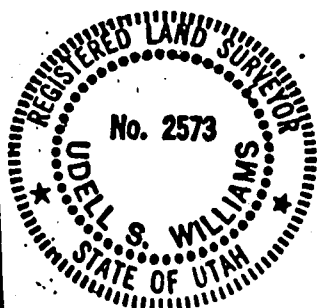


MC NO. 1

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Elev. 4408

Grand County, Utah



SURVEYOR'S CERTIFICATE

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Udell S. Williams
Utah RLS No. 2573



UDELL S. WILLIAMS
751 Rood Avenue
Grand Junction, Colorado 81501

PLAT OF
PROPOSED LOCATION

MC NO. 1
SW 1/4 SE 1/4 SECTION 10
T21S, R23E, SLM

SURVEYED BY: USW DATE: 8/22/89
DRAWN BY: USW DATE: 8/24/89

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Well No. MC #1
SWSE Sec. 10, T. 21 S., R. 23 E.
Grand County, Utah
Lease U-30956A

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Chief, Branch of Fluid Minerals	Home Phone: (801) 259-7990

24 HOURS ADVANCE NOTICE IS REQUIRED FOR ALL ABANDONMENTS

RECORD OF DECISION AND
FINDING OF NO SIGNIFICANT IMPACT

EA Log No. UT-068-89-101

Lease or
Serial No. U-30956-A

Project APD for well MC #1

Applicant Masters Petroleum & Development Co.

Project
Location Sec.10, T21S, R23E, SLB&M

Address Grand Junction, Colorado

County Grand, Utah

BLM Office Grand Resource Area

Phone No. (801) 259-8193

RECORD OF DECISION

Decision:

I recommend approval of the APD.

Rationale:

The surface use plan of the Application for Permit to Drill includes mitigation that will prevent significant impacts to the environment. The APD is in conformance with management actions provided for in the Grand Resource Area RMP, consistent with BLM objectives of 43 CFR 3160, and National Minerals Management Policy.

Environmental Considerations: I have considered the environmental consequences of this decision as documented in the accompanying environmental assessment referenced above. All environmental considerations have been adequately addressed in the accompanying document.

FINDING OF NO SIGNIFICANT IMPACT
(Does not apply to categorical exclusions.)

Based on the analysis of potential environmental impacts contained in the accompanying environmental assessment, referenced above, I have determined that impacts are not expected to be significant. Therefore, an environmental impact statement is not required.


Area Manager

9/8/89
Date

Environmental Assessment
UT-068-89-101
Masters Petroleum & Development
Well MC #1

INTRODUCTION

The Grand Resource Area, Moab District of the Bureau of Land Management (BLM) received an Application for Permit to Drill (APD) from Masters Petroleum & Development Company of Grand Junction, CO.. The proposed drilling location is in Sec.10, T21S., R23E., of Grand County, Utah.

The proposed exploration well would be located on oil and gas lease U-30956A, assigned to Masters Petroleum. The lease was issued by the BLM subject to provisions of the lease, and regulations in 43 CFR 3160, BLM Onshore Order No. 1, 1983, and other appropriate orders and Notices to Lessees (NTL).

This environmental assessment tiers to the Grand Resource Area Resource Management Plan which directs decision making for the affected area, and to the Environmental Analysis Record (EAR) for Proposed Oil and Gas Leasing in the Grand Resource Area (1976), and RMP Supplemental Environmental Environmental Assessment # UT-060-89-025 (12/88), on file at the Grand Resource Area office), which documents in greater detail the impacts to the resources affected by the proposed action.

PROPOSED ACTION

Masters Petroleum & Development submitted an APD, 8 point drilling plan and 13 point surface use plan to the BLM with the intention of drilling an exploratory well in Sec. 10, T21S., R23E.. The proposed well would be located on oil and gas lease U-30956A (see Map 1,). The 8 point drilling plan and the 13 point surface use plan are standardized stipulations, regulations, and policy which are part of every APD package. These contain measures that provide mitigation for many of the impacts that can be expected to occur from such actions and will not be addressed further in this EA, unless noted otherwise. These documents may be found in oil and gas well file MC #1.

Because of the shallow slope of the terrain, less than two feet of cut will be required if any at all. One or two pits will be constructed depending on which drilling rig will be used. If any other construction is done it will be a short access and level area. All dirt work will be roughed in with a bulldozer. If production is achieved, areas not required will be rehabilitated. Access will be brought to BLM class III standards. If the well is to be abandoned, all disturbed areas including accesses will be rehabilitated as prescribed by the BLM's Authorized Officer. The bore-hole will be properly cemented.

NO ACTION ALTERNATIVE

BLM would deny the APD. No surface disturbance nor drilling would occur within the lease boundaries.

AFFECTED ENVIRONMENT AND ENVIRONMENTAL CONSEQUENCES

NATURAL ENVIRONMENT

Regional Setting

The proposed site lies 4 miles northwest of the town of Cisco, Utah.

Potential source of hydrocarbons may occur in the Salt Wash, Morrison & Dakota formations.

Effects of the Proposed Action

If hydrocarbons were found, there would be an irreversible loss of unknown volume from this formation.

Effects of No Action

No hydrocarbons would be explored for or removed.

Vegetation and Soil

The soil type is Mancos shale. The dominant vegetation is Mat Saltbush with 12 to 20 percent ground cover.

Effects of the Proposed Action

Within an area of 150 x 150, there will be some vegetative loss and soil compaction due to pit construction, heavy equipment placement and traffic.

Effects of No Action

No disturbance to the area will occur.

CULTURAL ENVIRONMENT

Mineral Lease

Lease U-30956A was issued on October 10, 1975. It is subject to terms and conditions that were in existence at the issuance date. There are 40 acres within the boundaries of this lease.

Effects of the Proposed Action

The lease will remain in effect beyond its primary term so long thereafter as hydrocarbons are produced in paying quantities (3141.5-2, 43 CFR). Local economics would be favorably impacted. A domestic energy source of unknown potential would be developed.

Effects of No Action

If the lessee made prior financial or business commitments or and arrangements, economic hardships may ensue. The terms and conditions of the lease would have been misleading and the lessee's rights would have been denied. Local economics could be unfavorably impacted. Fewer barrels of oil and cubic feet of gas would be available nationally for a domestic source of energy.

Cultural Resources

The exploration site was surveyed by an independent archaeological firm. No sites were identified.

Effects of the Proposed Action

Unidentified cultural resources at depth may be impacted.

Effects of No Action

No cultural resources would be impacted.

REFERENCES

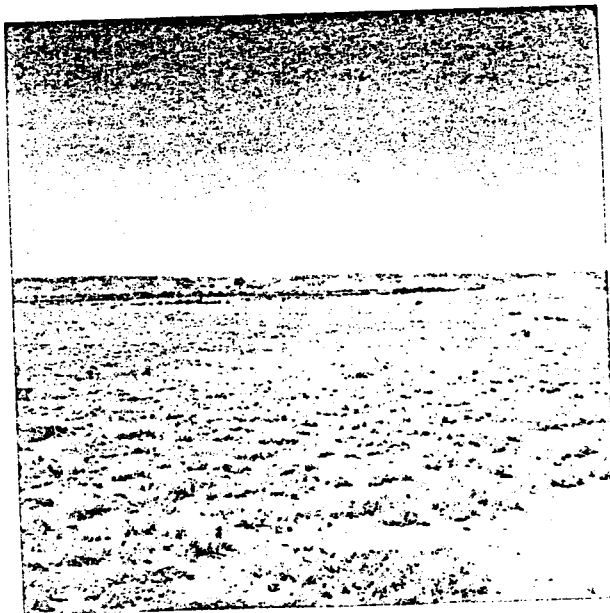
Grand Resource Area Resource Management Plan
Grand Resource Area Environmental Impact Statement
BLM SVIM soil survey data
RMP supplemental Environmental Assessment # UT-060-89-025
Checklist for Environmental Assessment

APPENDICES

1. Site pictures
2. Pit & pad layout

MAPS

General topo



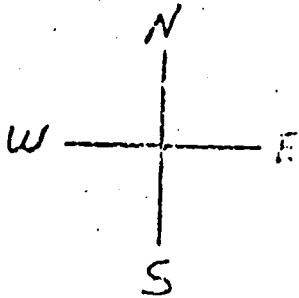
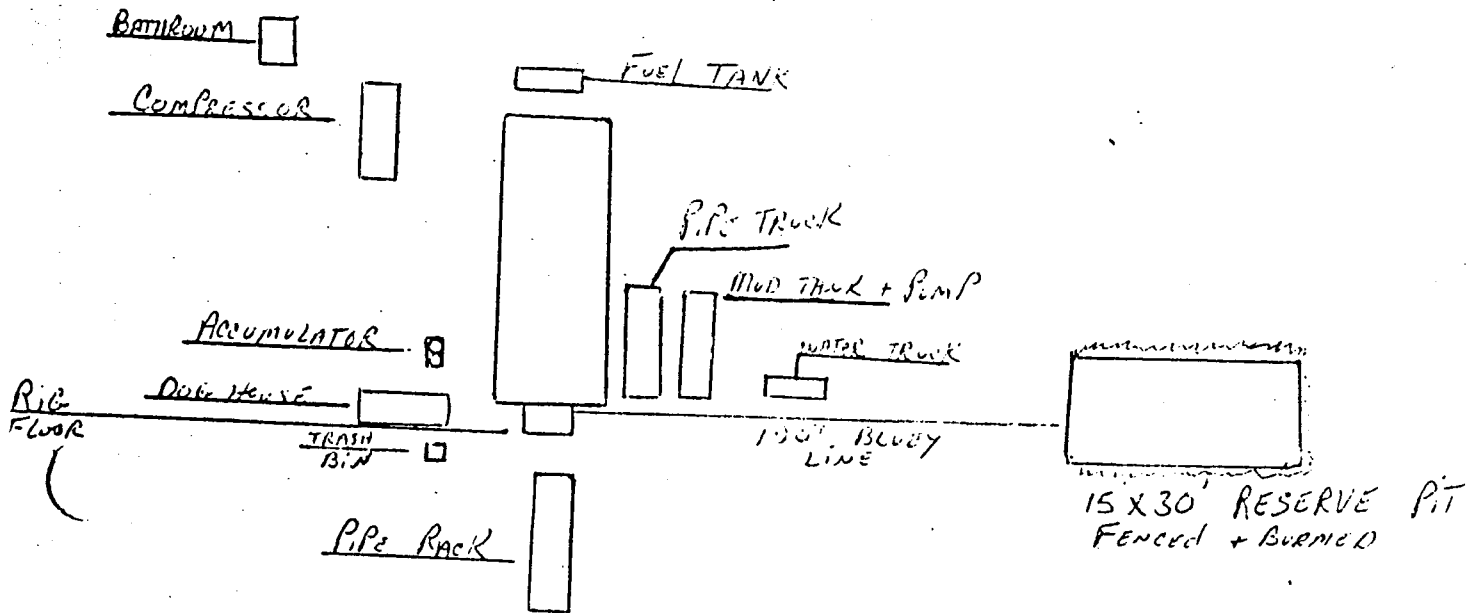
MC[#] 1

WELL SITE SCHEMATIC

RIG LAY OUT

ACCESS ROAD

PARKING AREA



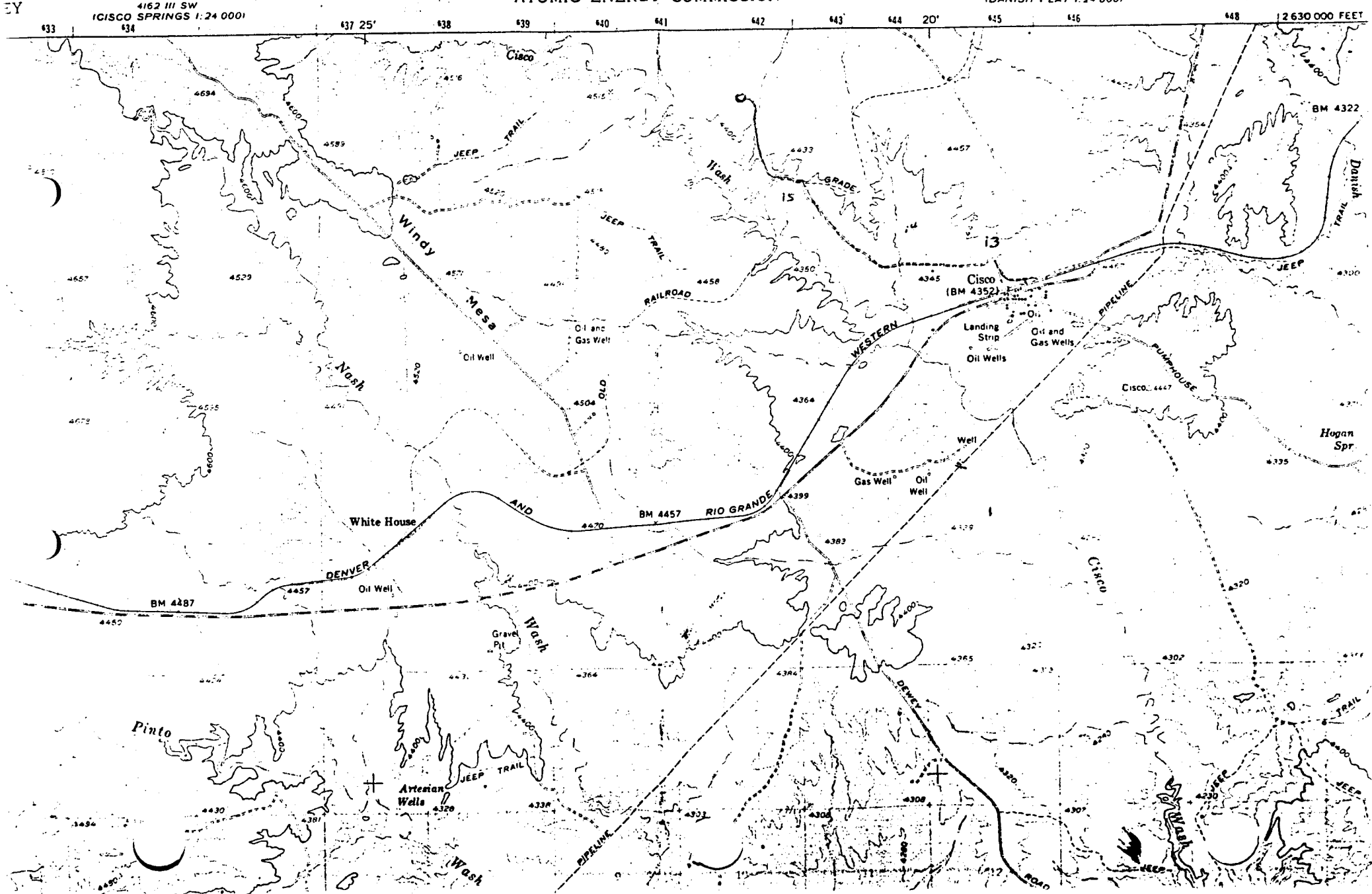
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INTERIOR
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UNITED STATES
ATOMIC ENERGY COMMISSION

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CISCO QI
UTAH-
15 MINUTE SER



BUREAU OF LAND MANAGEMENT
MOAB DISTRICT
CONDITIONS OF APPROVAL FOR PERMIT TO DRILL

Company Master Petroleum & Development Co., Inc. Well No. MC #1
Location: Sec. 10 T. 21S R. 23E Lease No U-30956-A
Onsite Inspection Date _____

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops: _____
Manco 0- 712
Dakota 712
Morrison- 940'
Salt Wash 1100'

2. Estimated Depth at Which Oil, Gas, Water, or Mineral-Bearing Zones Are Expected to Be Encountered:

	<u>Formation</u>	<u>Depth</u>
Expected oil zones:	Morrison(Brushy Basin	940'
	Salt Wash	1100'
Expected gas zones:	Dakota	712'
"		
Expected water zones:		
Expected mineral zones:		

BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventors will be pressure-tested before drilling casing cement plugs. The Resource Area will be notified 2 days in advance when pressure tests are to be conducted.

4. Casing Program and Auxiliary Equipment: 7" surface casing will be cemented to surface. 4 1/2" production casing will be cemented from the producing formation to at minimum of 50 feet above the productive zone. production casing has been tested and inspected.

Anticipated cements tops will be reported as to depth, not the expected number of sacks. The Resource Area (will/will not) be notified 1 days in advance when running casing strings and cement.

5. Mud Program and Circulating Medium: Well shall be air drilled to T.D.. Brine (10#) shall be used to kill the well in the event of production. Mud tank and Gaso mud pump shall be on location for this purpose.

Blooe line will be misted to reduce fugitive dust when air drilling.

6. Coring, Logging, and Testing Program: No logs are anticipated. Productive formations will be tested as they are encountered. Samples shall be taken in ten foot intervals beginning at 600'

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cutting, fluids, and/or gases) will be submitted when requested by the Moab District Manager.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards:

Maximum anticipated well pressure is less than 500 psi. BOP is of sufficient size to allow for complete control of this pressure. (3000 psi rating).

8. Anticipated Starting Dates and Notification of Operations:

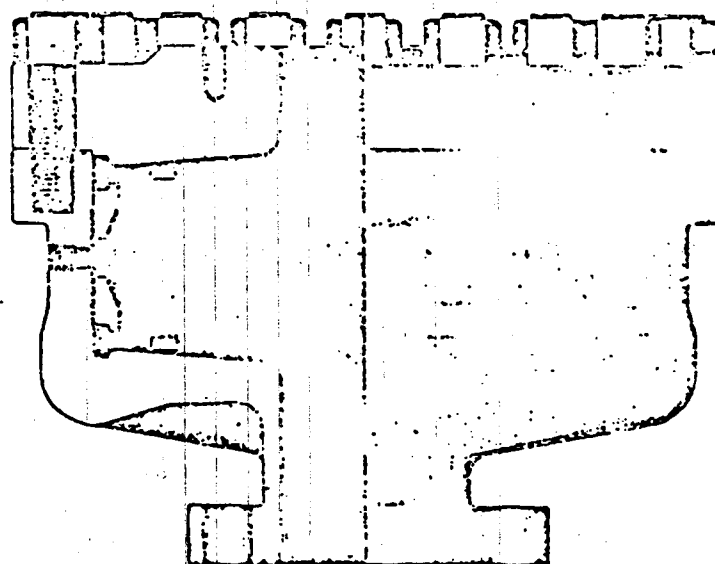
- a The operator will contact the GRAND Resource Area at 1-801-259-8193, forty-eight (48) hours prior to beginning any dirt work on this location.
- c No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.
- c The spud date (will/will not) be reported orally to the Area Manager within a minimum of twenty-four (24) hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within twenty-four (24) hours after spudding. If the spudding occurs on a weekend or holiday, the written report will be submitted on the following regular work day.
- d In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed directly with the ~~BLM District Office, P.O. Box 970, Moab, Utah 84532.~~ MMS.
- c Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported to the Resource Area in accordance with requirements of NTL-3A.
- f If the replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed for prior approval of the District Manager, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergency situations, verbal approval to bring on a replacement rig will be approved by the District Petroleum Engineer.
- c Should the well be successfully completed for production, the District Manager will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) business days following the date on which the well is placed on production.
- k A first production conference will be scheduled within fifteen (15) days after receipt of the first production report. The Resource Area Office will coordinate the field conference.
- l No well abandonment operations will be commenced without the prior approval of the District Manager. In the case of newly-drilled dry holes or failures, and in emergency situations, oral approval will be

REGAN BLOWOUT PREVENTERS

The Regan Torus Blowout Preventer is used primarily on production and workover rigs for well control up to 3000 PSI working pressure.

DESIGN FEATURES

- The Torus Preventer is designed for minimum height to facilitate its use with production and workover rigs.
- The rubber packer will conform to any ob- in the well bore. Sealing ability is not affected by minor damage to the inner bore.
- The packer will seal an open hole at full working pressure.
- The dual packer design increases the reliability of the preventer since the outer rubber packer is exposed to the well bore. Under normal service, the outer packer is rarely



TORUS BLOWOUT PREVENTER
PATENTED

SPECIFICATIONS

Working Pressure (psi)	DIMENSIONS (in.)			Weight (lb.)	End Flanges (1)	R/RX Ring Grooves	Side Outlet
	Outside Diameter	Thru Bore	Overall Height				
3000	27	2 1/2	19 1/2	1700	Nom. 6	45	None
1500	27	2 1/2	19 1/2	1700	Nom. 6	45	2" L.P.

(1) Bottom flange holes elongated for use with either 2000 or 1500 psi API-5B flanges. (Also can be used with obsolete Ser. 400 API flanges.) Top flange normally slotted for 3000 psi API-5B flanges unless otherwise specified.

obtained from the District Petroleum Engineer. A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Manager within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

- J Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.
- K Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. The marker will be constructed as follows: 4 1/2" casing will be secured to the well, approx. 5' above Gr., bearing the appropriate description.
The top of the marker will be closed or capped.
- L The following minimum information will be permanently placed on the marker plate, cap or beaded-on with a welding torch:
 - M "Fed" or "Ind", as applicable, "Well Number, location by 1/4 1/4 section, township and range". "Lease Number".
 - N Other: _____

B. THIRTEEN-POINT SURFACE USE PLAN

1. Existing Roads:

- a. Location of proposed well in relation to town or other reference point: Approximately 4 miles Northwest of Cisco, Utah.
- b. Proposed route to location: Exit Hwy. 6 & 50 at a point East of Cisco onto a county road to operators Right of Way # U-54703 to location.
- c. Plans for improvement and/or maintenance of existing roads:
Operator presently maintains the existing roads as required. No new improvements are needed to access the location other than a short (400± ft.) location access point.
- d. Other: All new ground disturbance shall be minimal. In the event the well is productive any new improvements shall be upgraded as required.

2. Planned Access Roads:

a. The maximum total disturbed width will be 12 feet.

b. Maximum grades: none

c. Turnouts: none

d. Location (centerline):

e. Drainage:

f. Surface Materials: minimal surface disturbance. there will not be a need to stockpile any surface material

g. Other:

h. Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.

i. The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells: Federal #1 - SWSE sec.10., MPD 10-2C- NWSE sec.10.

4. Location of Tank Batteries and Production Facilities:

All permanent (onsite for six (6) months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective, earth tone color to match the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within six (6) months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded. Colors will be as follows: Slate grey or as required

- c If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.
- c All loading lines and valves will be placed inside the berm surrounding the tank battery.
- c All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- c All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- c All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.
- c Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.
- c The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

5. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from:
Colorado River at Fish Ford.

_____.

A temporary water use permit for this operation will be obtained from the Utah State Engineer _____.
Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of the land.

6. Source of Construction Material:

Pad construction material will be obtained from: N/A

_____.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3. Source of construction material (will/will not) be located on lease.

7. Methods of Handling Water Disposal:

- c The reserve pit (will/~~will not~~) be lined" All cuttings and drilling fluids shall be discharged in to a reserve pit and buried upon well completion. Trash and other waste shall be contained in a trash cage and removed from location.
- c Three sides of the reserve pit will be fenced with 4' stock fencing before drilling starts. The fourth side will be fenced as soon as the drilling is completed. The fence will be kept in good repair while the pit is drying.
- c All trash must be contained and disposed of by: Master Petroleum & Development Co., Inc.
- a If burning is required, a permit will be obtained from the State Fire Warden _____.
- e Produced waste water will be confined to a (~~lined~~/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

Other: _____

8. Ancillary Facilities:

Camp facilities (~~XXXX~~/will not) be required. They will be located:

9. Well Site Layout:

The reserve pit will be located: 120 feet East Southeast of the drill hole

The top _____ inches of soil material will be removed from the location and stockpiled separately on _____.

Topsoil along the access road will be reserved in place adjacent to the road.

Access to the well pad will be from: Existing Federal #1 wellsite
East of the proposed location from operators R/W #U-54703

The trash pit will be located: Trash bin will be located next to the dog house and removed when operations cease.

10. Plans for Restoration of Surface:

a. Immediately upon completion of drilling, the location, and surrounding areas will be cleared of all remaining debris, materials, trash, and junk not required for production. _____

b. Before any dirt work to restore the location and surrounding area will be cleared of all remaining debris, materials, trash and junk not required for production. _____

c. The operator or his contractor (will/will not) notify the _____ Resource Area at _____ forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

d. All disturbed areas will be recontoured to the approximate natural contours. _____

e. The stockpiled topsoil will be evenly distributed over the disturbed areas. _____

f. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface. _____

g. Seed will be broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage. _____

[The page contains horizontal ruling lines.]

1. The first step is to identify the variables involved in the problem. In this case, the variables are the number of hours worked (H) and the number of hours of leisure (L). The total number of hours available is 24 hours per day.

2. The second step is to write down the objective function, which is the function that we want to maximize or minimize. In this case, the objective function is the total utility (U), which is a function of the number of hours worked (H) and the number of hours of leisure (L).

3. The third step is to write down the constraints, which are the conditions that must be satisfied. In this case, the constraints are:

- The total number of hours available is 24 hours per day: $H + L = 24$.
- The number of hours worked (H) must be non-negative: $H \geq 0$.
- The number of hours of leisure (L) must be non-negative: $L \geq 0$.

4. The fourth step is to solve the problem using the method of Lagrange multipliers. This involves writing down the Lagrangian function, which is a function of the variables H and L, and the Lagrange multiplier λ . The Lagrangian function is:

$$\mathcal{L}(H, L, \lambda) = U(H, L) - \lambda(H + L - 24)$$

5. The fifth step is to find the first-order conditions, which are the conditions that must be satisfied for the Lagrangian function to be at a maximum or minimum. These conditions are:

$$\frac{\partial \mathcal{L}}{\partial H} = 0, \quad \frac{\partial \mathcal{L}}{\partial L} = 0, \quad \text{and} \quad \frac{\partial \mathcal{L}}{\partial \lambda} = 0$$

6. The sixth step is to solve these equations for H and L. This gives us the optimal number of hours worked (H*) and the optimal number of hours of leisure (L*).

7. The seventh step is to check the second-order conditions, which are the conditions that must be satisfied for the solution to be a maximum or minimum. In this case, the second-order conditions are satisfied, so the solution is a maximum.

8. The final step is to interpret the results. The optimal number of hours worked (H*) is the number of hours that the individual should work to maximize their utility, given the constraints. The optimal number of hours of leisure (L*) is the number of hours that the individual should spend on leisure to maximize their utility, given the constraints.

Surface and Mineral Ownership:
Master Petroleum & Development is the Lessee of record of this
federal Lease.

Master Petroleum & Development is the Lessee of record of this
federal Lease.

- There will be no deviation from the proposed drilling and/or workover program without prior approval from the District Manager. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.2.
- "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3164.
- The dirt contractor will be provided with an approved copy of the surface use plan.
- A cultural resource clearance (will/will not) be required before any construction begins. If any cultural resources area found during construction, all work will stop and the Area Manager will be notified.

This permit will be valid for a period of one (1) year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

13. Lessee's Operator's Representative and Certification

Representative:

Name: Tom Kucel

Address: 814 South 7th St.
Grand Junction, Colorado, 81501

Phone No.: 303-241-4213, home 303-434-5220

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by: Master Petroleum & Development Co., Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

2-28-91
Date

Thomas A. Kucel
Name and Title

B. SURFACE USE PROGRAM

The operator will contact the Grand Resource Area at (801) 259-8193, forty-eight (48) hours prior to beginning any dirt work on this location.

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed will be approved by the Area Manager in advance.

The access road will be rehabilitated or brought to Resource (Class III) Road Standards within sixty (60) days of dismantling of the drilling rig. If this time frame cannot be met, the Area Manager will be notified so that temporary drainage control can be installed along the access road.

Immediately upon completion of drilling, the location, and surrounding areas will be cleared of all remaining debris, materials, trash, and junk not required for production.

Produced waste water will be confined to a (lined/unlined) pit for a period not to exceed ninety (90) days after initial production. During the ninety (90) day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the District Manager's approval pursuant to Onshore Oil and Gas Order No. 3 (NTL-2B).

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain 1-1/2 times the storage capacity of the battery.

All loading lines and valves will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.

All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.

Gas meter runs for each well will be located within five hundred (500) feet of the wellhead. The gas flowline will be buried from the wellhead to the meter along with any other sections occurring on the pad. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three (3) months on new meter installations and at least quarterly thereafter. The Area Manager will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration reports will be submitted to the Resource Area Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

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The operator or his contractor will notify the Grand Resource Area at (801) 259-8193 forty-eight (48) hours before starting reclamation work that involves earthmoving equipment and upon completion of restoration measures.

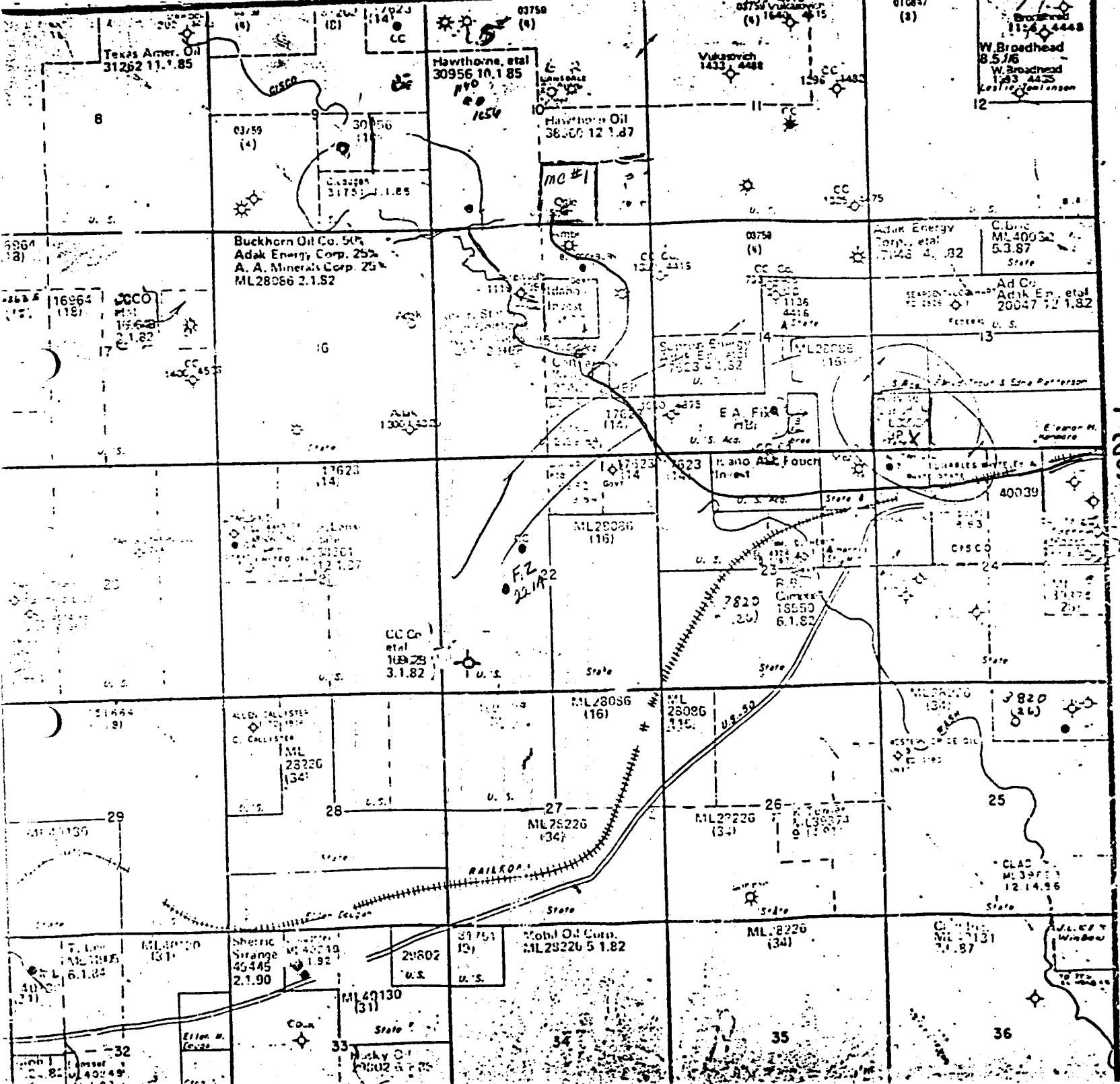
Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

The following seed mixture will be used:

<u>Species</u>		<u>lbs/acre</u>
<u>Grasses</u>		
Agropyron spicatum	Bluebunch wheatgrass	1
Hilaria jamesii	Galleta (Curlygrass)	1
Oryzopsis hymenoides	Indian ricegrass	1
<u>Forbs</u>		
Melilotus officinalis	Yellow sweetclover	1/2
Medicago sativa	Alfalfa	1/2
	(Spreador II, Nomad, Ladak)	
<u>Shrubs</u>		
Eurotia lanata	Winterfat (Whitesage)	<u>2</u>
		6 lbs/acre

Broadcast seed will be applied at double the above rate.

Final location release will be issued when the seeding is shown to be successful (when perennial vegetation is established).



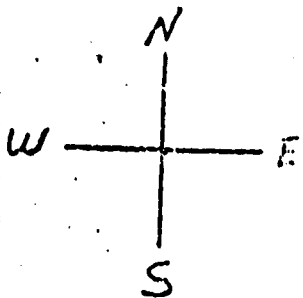
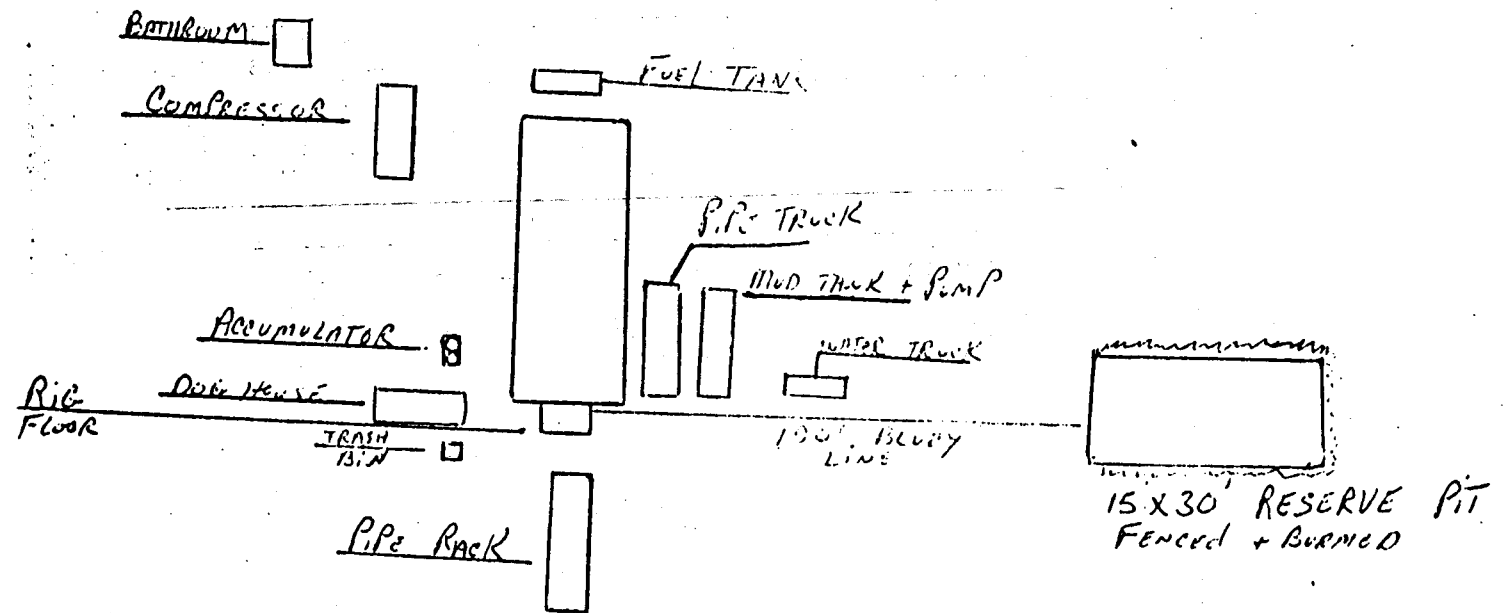
THE
: PART
BY NO.

WELL SITE SCHEMATIC

RIG LAY OUT

ACCESS ROAD

PARKING AREA





United States Department of the Interior

BUREAU OF LAND MANAGEMENT
UTAH STATE OFFICE
324 SOUTH STATE, SUITE 301
SALT LAKE CITY, UTAH 84111-2303

IN REPLY REFER TO

3104
(U-942)

DEC 18 1984

DECISION

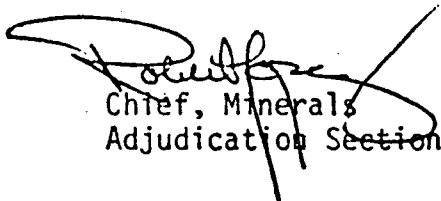
Master Petroleum and Development : \$25,000 Statewide
Company, Inc. : Oil and Gas Bond
814 S. 7th Street :
Grand Junction, Colorado 81501 :

Bond Accepted

A \$25,000 statewide oil and gas bond, No. 43-45-57, was filed in this office December 7, 1984. The bond was executed October 29, 1984, with Master Petroleum and Development Company, Inc. as principal and New Hampshire Insurance Company as surety.

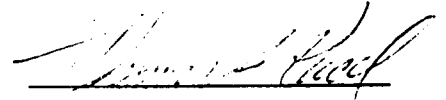
This bond constitutes coverage in the State of Utah for obligations under oil and gas leases held or hereafter acquired by the principal, including lease offers, assignments, operating agreements, etc., issued under the authority of the Minerals Leasing Act of 1920, as amended, and the Mineral Leasing Act for Acquired Lands, as amended. The bond is satisfactory and is hereby accepted effective December 7, the date of filing.

Coverage under your statewide bond will not, however, extend to include additional principals, and the coverage does not extend to any lands where the principals are or become the unit operator but do not own the record title or operating rights in such lands either solely or jointly with others whose interests are likewise covered by appropriate bonds.


Chief, Minerals
Adjudication Section

OPERATORS CERTIFICATION

I, Thomas A. Kucel, as president and registered agent of Master Petroleum & Development Co., Inc. hereby certify that Master Petroleum & Development Co., Inc. is the Lessee of record and the Operator of the lease and wells described in this information package. Master Petroleum & Development is insured and bonded in the state of Utah to conduct all operations associated with Oil & Gas lease development.

A handwritten signature in dark ink, appearing to read 'Thomas A. Kucel', is written over a horizontal line.

Thomas A. Kucel, pres.
Master Petroleum & Development
Co., Inc.

3162 (U-065)
(U-30956A)

Moab District
P.O. Box 970
Moab, Utah 84532

APR 29 1991

Master Petroleum & Development Co., Inc.
814 South 7th Street
Grand Junction, Colorado 81501

Re: Rescinding Application for Permit to Drill
Well No. MC #1
SWSE Sec. 10, T. 21 S. R. 23 E. 43-019-31293
Grand County, Utah
Lease U-30956A

Gentlemen:

The Application for Permit to Drill the referenced well was approved on September 15, 1989. Since that date, no known activity has transpired.

This approval was valid for a period of one year from the date of approval. In view of the foregoing, this office is rescinding the approval of the referenced application.

Should you intend to drill at this location at a future date, a new application for permit to drill must be submitted.

If you have any questions, please contact the Branch of Fluid Minerals at (801) 259-6111.

Sincerely yours,

Is/ Eric C. Jones
Acting
Assistant District Manager
Mineral Resources

Enclosure:
Application for Permit to Drill

cc: GRA (w/o encl.)
State of Utah, Division of Oil, Gas & Mining (w/o encl.) ✓

MRamstetter:mr:4/26/91

RECEIVED
MAY 01 1991

DIVISION OF
OIL GAS & MINING



Norman H. Bangerter

Governor

Dee C. Hansen

Executive Director

Dianne R. Nielson, Ph.D.

Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple

3 Triad Center, Suite 350

Salt Lake City, Utah 84180-1203

801-538-5340

May 6, 1991

Master Petroleum & Development Co., Inc.
814 South 7th Street
Grand Junction, Colorado 81501

Gentlemen:

Re: Well No. MC #1, Sec. 10, T. 21S, R. 23E, Grand County, Utah
API No. 43-019-31293

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley
Administrative Supervisor
Oil and Gas

DME/lde

cc: R.J. Firth

Bureau of Land Management - Moab

Well file

WOI196

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☒
b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP EN ☐ PLUG BACK ☒ DIFF. REVR. ☐

RECEIVED

NOV 04 1991

2. NAME OF OPERATOR
Master Petroleum & Development Co., Inc.

3. ADDRESS OF OPERATOR
814 South 7th St., Grand Junction, Colo., 81501

4. LOCATION OF WELL (Report location clearly and in accordance with any State or Federal law)
At surface 611' FSL, 2354' FEL, Section 10, T21S, R23E, SLM & B

At top prod. interval reported below

At total depth as above

14. PERMIT NO. 43-019-31293
DATE ISSUED 3-12-91

15. DATE SPUNDED 9-11-91
16. DATE T.D. REACHED 10-14-91
17. DATE COMPL. (Ready to prod.) 10-16-91
18. ELEVATIONS (DF, RKB, RT, GR, ETC.) 4408 Gr.

20. TOTAL DEPTH, MD & TVD 1160 KB
21. PLUG, BACK T.D., MD & TVD plugs set as desc.

22. IF MULTIPLE COMPL., HOW MANY*
23. INTERVALS DRILLED BY
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

none

26. TYPE ELECTRIC AND OTHER LOGS RUN
none

27. WAS WELL CORDED
no

CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
7"	23#	162'	8 3/4"	25 sxs.	none

LINER RECORD					TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

31. PERFORATION RECORD (Interval, size and number)
Cement plugs set as follows. Mr. Homer Saenz of Grand Resource Area B.L.M. on location to witness plugging and tag plugs.
920'-735' - 34 sxs., 210-110' - 19 sxs. & 50'-0' - 10sxs.

PRODUCTION							
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
N/A		N/A				PLUGGED	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)
TEST WITNESSED BY T. Kucel

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Thomas A. Kucel TITLE Pres DATE 10-26-91

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Dakota	720'	725'	very fine sand stone- no shows			
Dakota	765'	779'	fine to medium grain sand stone- no show			
Brushy basin (Morrison)	905'	925'	fine grained sand stone- small oil show			

38. GEOLOGIC MARKERS